SUBMERGED LANDS

HEARINGS

BEFORE

SUBCOMMITTEE NO. 1
COMMITTEE ON THE JUDICIARY
HOUSE OF REPRESENTATIVES

EIGHTY-THIRD CONGRESS

FIRST SESSION

ON

H. R. 2948

AND SIMILAR BILLS

BILLS TO PROMOTE THE EXPLORATION, DEVELOPMENT, AND CONSERVATION OF CERTAIN RESOURCES IN THE SUBMERGED LANDS AND TO PROVIDE FOR THE USE, CONTROL, AND DISPOSITION OF THE LANDS AND RESOURCES OF THE LANDS BENEATH INLAND WATERS AND IN THE CONTINENTAL SHELF

FEBRUARY 17, 26, MARCH 3, 4, AND 5, 1953

Serial No. 1

Printed for the use of the Committee on the Judiciary

UNITED STATES
GOVERNMENT PRINTING OFFICE
30869 WASHINGTON : 1953

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SUBMERGED LANDS LEGISLATION

TUESDAY, FEBRUARY 17, 1953

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE NO. 1, OF THE
COMMITTEE ON THE JUDICIARY,
Washington, D. C.

Subcommittee No. 1 of the Committee on the Judiciary met, pursuant to call, at 10:30 a. m., in room 346, Old House Office Building, Hon. Louis E. Graham, chairman of subcommittee No. 1, presiding.

Present: Representatives Louis E. Graham (presiding), Ruth Thompson, Patrick J. Hillings, Emanuel Celler, and Francis E. Walter.

Also present: Chauncey W. Reed (chairman of the Committee on the Judiciary), Kenneth B. Keating, William M. McCulloch, Edgar A. Jonas, Shepard J. Crumpacker, Jr., Dean P. Taylor, Usher L. Burdick, George Meader, Laurence Curtis, DeWitt S. Hyde, Joseph R. Bryson, Thomas J. Lane, J. Frank Wilson, Edwin E. Willis, James B. Frazier, Jr., Peter W. Rodino, Jr., Woodrow W. Jones, E. L. Forrester, and Byron G. Rogers.

Mr. GRAHAM. The committee will come to order.

The CHAIRMAN. Mr. Chairman, it gives me great pleasure to present the Attorney General of the United States, Mr. Herbert Brownell, Jr.

Mr. GRAHAM. Thank you, Mr. Reed.

Mr. Brownell, before you begin, may the Chair make a preliminary announcement for your benefit as well as others who are present here today.

Our plan of procedure will be as follows: The photographers will take the photographs now and then kindly leave. We will go through with the hearing and hear your testimony, take a recess, and then revert back into the full committee. We will be delighted to have you remain with the full committee, if you desire to do so, and have you make any statement that you wish. Our course will be determined by your pleasure and your time.

Attorney General BROWNELL. Thank you, Mr. Chairman.

Mr. GRAHAM. The Chair would like to make one further statement before we begin, for the information of the new members of the committee, as well as Mr. Brownell.

The hearings on submerged lands starting this morning will be the 16th hearing on this question. The 15th was initiated yesterday on the Senate side, so that there have been 14 hearings on this same question in previous Congresses. In the course of all these hearings, over 6,000 printed pages have been taken in the form of testimony and

documents. In view of that, we feel it wise that we incorporate those hearings at this time into the record by reference in an honest effort to cut down expense, save duplication, and put the matter in a way so that it can be expedited quickly.

I might give you a breakdown of the bills referred to this subcommittee on the question.

There have been 37 bills referred to Subcommittee No. 1 on this question; 26 House resolutions and 11 House joint resolutions.

There are 16 which deal with the area within the 3-mile limit or historic State boundaries.

There are 14 which deal with the entire area of the Continental Shelf.

One bill, H. R. 381, is limited to the historic boundaries of Texas.

Two bills, a House joint resolution and H. R. 1931, merely provide for the setting aside of Executive Order 10426 of January 16, 1953.

House Joint Resolution 15 provides for interim operation for a 5-year period.

House Joint Resolution 89 provides substantially that the income from the submerged lands shall be used by the Federal Government as grants-in-aid to education.

House Joint Resolution 126 provides for interim operation with the proceeds therefrom devoted to national defense and security, and aids to education.

This is the present status of the matter.

(The bills are as follows)

[H. R. 90, 83d Cong., 1st sess.]

A BILL To confirm and establish the titles of the State to lands beneath navigable waters within State boundaries and natural resources within such lands and waters and to provide for the use and control of said lands and resources

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the United States of America recognizing—

(a) that the several States, and the others as hereinafter mentioned, since July 4, 1776, or since their formation and admission to the Union, have exercised full powers of ownership of all lands beneath navigable waters within their respective boundaries and all natural resources, including fish and other marine life within such lands and waters, and full control of said natural resources, with the full acquiescence and approval of the United States and in accordance with many pronouncements of the Supreme Court and decisions of the executive departments of the Federal Government that such lands and resources were vested in the respective States as an incident to State sovereignty and that the exercise of such powers of ownership and control has not in the past impaired or interfered with and will not impair or interfere with the exercise by the Federal Government of its constitutional powers in relation to said lands and navigable waters and to the control and regulation of commerce, navigation, national defense, and international relations; and

(b) that the several States, their subdivisions, and persons lawfully acting pursuant to State authority have expended enormous sums of money on improving and reclaiming said lands and in developing the natural resources in said lands and waters in full reliance upon the validity of their titles; and

(c) that a recent decision of the Supreme Court held that the Federal Government has certain paramount powers with respect to a portion of said lands without reaffirming or settling the ultimate question of ownership of such lands and resources, but said decision recognizes that the question of the ownership and control of said lands and natural resources, is within the "congressional area of national power" and that Congress will

not execute its powers "in such way as to bring about injustices to States, their subdivisions, or persons acting pursuant to their permission";

it is hereby determined and declared to be in the public interest that title to and ownership of the lands beneath navigable waters within the boundaries of the respective States, and the natural resources within such lands and waters, and the right and power to control, develop, and use the said natural resources in accordance with applicable State law be, and they are hereby, recognized, confirmed, established, and vested in the respective States or the persons lawfully entitled thereto under the law as established by the decisions of the respective courts of such States, and the respective grantees, lessees, or successors in interest thereof; and the United States hereby releases and relinquishes unto said States and persons aforesaid all right, title, and interest of the United States, if any it has, in and to all said lands, improvements, and natural resources, and releases and relinquishes all claims of the United States if any it has, arising out of any operations of said States or persons pursuant to State authority upon or within said lands and navigable waters: *Provided, however,* That nothing in this Act shall affect the use, development, improvement, and control by or under the authority of the United States of said lands and waters for the purposes of navigation or flood control or the production or distribution of power, or be construed as the release or relinquishments of any rights of the United States arising under the authority of Congress to regulate or improve navigation or to provide for flood control or the production or distribution of power.

SEC. 2. As used in this Act—

(a) the term "lands beneath navigable waters" includes (1) all lands within the boundaries of each of the respective States which were covered by waters navigable under the laws of the United States, at the time such State became a member of the Union, and all lands permanently or periodically covered by tidal waters up to but not above the line of mean high tide and seaward to a line three geographical miles distant from the coast line of each such State and to the boundary line of each such State where in any case such boundary, as it existed at the time such State became a member of the Union, or as heretofore or hereafter approved by Congress, extends seaward (or into the Great Lakes or Gulf of Mexico) beyond three geographical miles, and (2) all lands formerly beneath navigable waters, as herein defined, which have been filled or reclaimed; the term "boundaries" includes the seaward boundaries of a State or its boundaries in the Gulf of Mexico or any of the Great Lakes as they existed at the time such State became a member of the Union, or as heretofore or hereafter approved by the Congress, or as extended or confirmed pursuant to section 3 hereof;

(b) the term "coast line" means the line of ordinary low water along that portion of the coast which is in direct contact with the open sea and the line marking the seaward limit of all estuaries, ports, harbors, bays, straits, and sounds, and all other bodies of water which are landward of the open sea;

(c) the terms "grantees" and "lessees" include (without limiting the generality thereof) all political subdivisions, municipalities, and persons holding grants or leases from a State to lands beneath navigable waters if such grants or leases were issued in accordance with the constitution, statutes, and decisions of the courts of the State in which such lands are situated; and the term "person" shall include corporations, partnerships, and associations;

(d) the term "natural resources" shall not include water power or the use of water for the production of power;

(e) the term "lands beneath navigable waters" shall not include the beds of streams in lands now or heretofore constituting a part of the public lands of the United States if such streams were not meandered in connection with the public survey of such lands under the laws of the United States.

SEC. 3. Any State which has not already done so may extend its seaward boundaries (or its boundaries in the Great Lakes) to a line three geographical miles distant from its coast line. Any claim heretofore or hereafter asserted either by constitutional provision, statute, or otherwise, indicating the intent of a State to extend its boundaries to a line three geographical miles distant from its coast line is hereby approved and confirmed, without prejudice to its claim, if any it has, that its boundaries extend beyond that line.

SEC. 4. There is excepted from the operation of the first section of this Act—

(a) all lands and resources therein or improvements thereon which have been lawfully acquired by the United States from any State or from any person in whom title had vested under the decisions of the courts of such State, or their respective grantees, or successors in interest, by cession, grant, quitclaim, or condemnation, or from any other owner or owners thereof by conveyance or by condemnation, provided such owner or owners had lawfully acquired the title to such lands and resources in accordance with the statutes or decisions of the courts of the State in which the lands are located; and

(b) such lands beneath navigable waters within the boundaries of the respective States and such interests therein as the United States is lawfully entitled to under the law as established by the decisions of the courts of the State in which the land is situated, or which are held by the United States in trust for the benefit of any tribe, band, or group of Indians or for individual Indians.

SEC. 5. (a) The United States retains all its powers of regulation and control of said lands and navigable waters for the purposes of commerce, navigation, national defense, and international affairs except those rights to the ownership, use, development, and control of the lands and natural resources, which are specifically recognized, confirmed, established, and vested in the respective States and others by the first section of this Act.

(b) In time of war or when necessary for national defense, and the Congress or the President shall so prescribe, the United States shall have the right of first refusal to purchase at the prevailing market price, all or any portion of the said natural resources, or to acquire and use any portion of said lands by proceeding in accordance with due process of law and paying just compensation therefor.

SEC. 6. Nothing in this Act shall be deemed to affect the determination by legislation or judicial decree of any issues between the United States and the respective States relating to the ownership or control of that portion of the subsoil and sea bed of the Continental Shelf lying seaward and outside of the area of lands beneath navigable waters, described in section 2 hereof.

SEC. 7. Nothing in this Act shall be deemed to amend, modify, or repeal the Acts of July 26, 1866 (14 Stat. 251), July 3, 1870 (16 Stat. 217), March 3, 1877 (19 Stat. 377), and June 17, 1902 (32 Stat. 388), and Acts amendatory thereof or supplementary thereto.

[H. R. 114, 83d Cong., 1st sess.]

A BILL To confirm and establish the titles of the States to lands beneath navigable waters within State boundaries and to the natural resources within such lands and waters, to provide for the use and control of said lands and resources, and to provide for the use, control, exploration, development, and conservation of certain resources of the continental shelf lying outside of State boundaries

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Submerged Lands Act".

TITLE I

DEFINITION

SEC. 2. When used in this Act—

(a) The term "lands beneath navigable waters" includes (1) all lands within the boundaries of each of the respective States which were covered by waters navigable under the laws of the United States at the time such State became a member of the Union, and all lands permanently or periodically covered by tidal waters up to but not above the line of mean high tide and seaward to a line three geographical miles distant from the coast line of each such State and to the boundary line of each such State where in any case such boundary as it existed at the time such State became a member of the Union, or as heretofore or hereafter approved by Congress, extends seaward (or into the Great Lakes or Gulf of Mexico) beyond three geographical miles, and (2) all filled in, made, or reclaimed lands which formerly were lands beneath navigable waters, as herein defined; the term "boundaries" includes the seaward boundaries of a State or its boundaries in the Gulf of Mexico or any of the Great Lakes as they existed at the time such State became a member of the Union, or as

heretofore or hereafter approved by the Congress, or as extended or confirmed pursuant to section 4 hereof;

(b) The term "coast line" means the line of ordinary low water along that portion of the coast which is in direct contact with the open sea and the line marking the seaward limit of inland waters, which include all estuaries, ports, harbors, bays, channels, straits, historic bays, and sounds, and all other bodies of water which join the open sea;

(c) The terms "grantees" and "lessees" include (without limiting the generality therof) all political subdivisions, municipalities, public and private corporations, and other persons holding grants or leases from a State, or its predecessor sovereign, to lands beneath navigable waters if such grants or leases were issued in accordance with the constitution, statutes, and decisions of the courts of the State in which such lands are situated, or of its predecessor sovereign: *Provided, however*, That nothing herein shall be construed as conferring upon said grantees or lessees any greater rights or interest other than are described herein, and in their respective grants from the State, or its predecessor sovereign;

(d) The term "natural resources" shall include, without limiting the generality thereof, fish, shrimp, oysters, clams, crabs, lobsters, sponges, kelp, and other marine animal and plant life but shall not include water power, or the use of water for the production of power at any site where the United States now owns the water power;

(e) The term "lands beneath navigable waters" shall not include the beds of streams in lands now or heretofore constituting a part of the public lands of the United States if such streams were not meandered in connection with the public survey of such lands under the laws of the United States;

(f) The term "continental shelf" means all submerged lands (1) which lie outside and seaward of lands beneath navigable waters as defined hereinabove in section 2 (a), and (2) of which the subsoil and natural resources appertain to the United States and are subject to its jurisdiction and control;

(g) The term "Secretary" means the Secretary of the Interior;

(h) The term "State" means any State of the Union;

(i) The term "coastal States" shall mean those States, any portion of which borders upon the Atlantic Ocean, the Gulf of Mexico, or the Pacific Ocean;

(j) The term "person" includes any citizen of the United States, an association of such citizens, a State, a political subdivision of a State, or a private, public, or municipal corporation organized under the laws of the United States or of any State;

(k) The term "lease" whenever used with reference to action by a State or its political subdivision or grantee prior to January 1, 1949, shall be regarded as including any form of authorization for the use, development or production of lands beneath navigable waters and the natural resources therein and thereunder, and the term "lessee" whenever used in such connection, shall be regarded as including any person having the right to develop or produce natural resources and any person having the right to use or develop lands beneath navigable waters under any such form of authorization;

(l) The term "Mineral Leasing Act" shall mean the Act of February 25, 1920 (41 Stat. 437; 30 U. S. C., sec. 181 and the following), and all Acts heretofore enacted which are amendatory thereof or supplementary thereto.

TITLE II

LANDS BENEATH NAVIGABLE WATERS WITHIN STATE BOUNDARIES

SEC. 3. RIGHTS OF THE STATES.—It is hereby determined and declared to be in the public interest that title to and ownership of the lands beneath navigable waters within the boundaries of the respective States, and the natural resources within such lands and waters, and the right and power to control, develop, and use the said natural resources all in accordance with applicable State law be, and they are hereby, subject to the provisions hereof, recognized, confirmed, established, and vested in the respective States or the persons who were on June 5, 1950, entitled thereto under the property law of the respective States in which the land is located, and the respective grantees, lessees, or successors in interest thereof; and the United States hereby releases and relinquishes unto said States and persons aforesaid all right, title, and interest of the United States, if any it has, in and to all said lands, moneys, improvements, and natural resources, and releases and relinquishes all claims of the United States, if

any it has, arisiug out of any operations of said States or persons pursuant to State authority upon or within said lands and navigable waters. The rights, powers, and titles hereby recognized, confirmed, established, and vested in the respective States and their grantees are subject to each lease executed hy a State, or its grantee, which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, and such rights, powers, and titles are further subject to the rights herein now granted to any person holding any such lease to continue to maintain the lease, and to conduct operations thereunder, in accordance with its provisions, for the full term thereof, and any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued such lease: *Provided, however,* That, if oil or gas was not being produced from such lease on and before December 11, 1950, then for a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provisions of such lease or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, such lease: *Provided, however,* That all rents, royalties, and other sums payable under such lease and the laws of the State issuing or whose grantee issued such lease between June 5, 1950, and the effective date hereof, which have not been paid to the State or its grantee issuing it or to the Secretary of the Interior of the United States, shall be paid to the State or its grantee issuing such lease within 90 days from the effective date hereof: *Provided, however,* That nothing in this Act shall affect the use, development, improvement, or control by or under the constitutional authority of the United States of said lands and waters for the purposes of navigaion or flood control or the production of power at any site where the United States now owns or may hereafter acquire the water power or be construed as the release or relinquishment of any rights of the United States arising under the constitutional authority of Congress to regulate or improve navigation or to provide for flood control or the production of power at any site where the United States now owns the water power: *Provided further,* That nothing in this Act shall be construed as affecting or intending to affect or in any way interfere with or modify the laws of the States which lie wholly or in part westward of the ninety-eighth meridian, relating to the ownership and control of ground and surface waters; and the control, appropriation, use, and distribution of such waters shall continue to be in accordance with the laws of such States.

SEC. 4. SEAWARD BOUNDARIES.—Any State which has not already done so may extend its seaward boundaries to a line three geographical miles distant from its coast line, or in the case of the Great Lakes, to the international boundary of the United States. Any claim heretofore or hereafter asserted either by constitutional provision, statute, or otherwise, indicating the intent of a State so to extend its boundaries is hereby approved and confirmed, without prejudice to its claim, if any it has, that its boundaries extend beyond that line. Nothing in this section is to be construed as questioning or in any manner prejudicing the existence of any State's seaward boundary beyond three geographical miles if it was so provided by its Constitution or laws prior to or at the time such State became a member of the Union, or if it has been heretofore or is hereafter approved by Congress.

SEC. 5. EXCEPTIONS FROM OPERATION OF SECTION 3 OF THIS ACT.—There is excepted from the operation of section 3 of this Act—

(a) all specifically described tracts or parcels of land and resources therein or improvements thereon title to which has been lawfully and expressly acquired by the United States from any State or from any person in whom title had vested under the decisions of the courts of such State, or their respective grantees, or successors in interest, by cession, grant, quitclaim, or condemnation, or from any other owner or owners thereof by conveyance or by condemnation, provided such owner or owners had lawfully acquired the title to such lands and resources in accordance with the statutes or decisions of the courts of the State in which the lands are located; and

(b) such lands beneath navigable waters within the boundaries of the respective States and such interests therein as are held by the United States in trust for the benefit of any tribe, band, or group of Indians or for individual Indians.

SEC. 6. POWERS RETAINED BY THE UNITED STATES.—(a) The United States retains all its powers of regulation and control of said lands and navigable waters for the purposes of commerce, navigation, national defense, and international

affairs, none of which includes any of the proprietary rights of ownership, or of use, development, and control of the lands and natural resources which are specifically recognized, confirmed, established, and vested in the respective States and others by section 3 of this Act.

(b) In time of war when necessary for national defense, and the Congress or the President shall so prescribe, the United States shall have the right of first refusal to purchase at the prevailing market price, all or any portion of the said natural resources, or to acquire and use any portion of said lands by proceeding in accordance with due process of law and paying just compensation therefor.

SEC. 7. Nothing in this Act shall be deemed to amend, modify, or repeal the Acts of July 26, 1866 (14 Stat. 251), July 9, 1870 (16 Stat. 217), March 3, 1877 (19 Stat. 377), June 17, 1902 (32 Stat. 388), and December 22, 1944 (58 Stat. 887), and Acts amendatory thereof or supplementary thereto.

TITLE III

CONTINENTAL SHELF OUTSIDE STATE BOUNDARIES

SEC. 8. JURISDICTION OVER CONTINENTAL SHELF.—(a) It is hereby declared to be the policy of the United States that the natural resources of the subsoil and sea bed of the continental shelf appertain to the United States and are subject to its jurisdiction, control, and power of disposition as provided in this Act. Except to the extent that it is exercised in a manner inconsistent with applicable Federal laws, the police power of each coastal State may extend to that portion of the continental shelf which would be within the boundaries of such State if extended seaward to the outer margin of the continental shelf. The police power includes, but is not limited to, the power of taxation, conservation, and control of the manner of conducting geophysical explorations. This Act shall be construed in such manner that the character as high seas of the waters above the continental shelf and the right to their free and unimpeded navigation shall not be affected.

(b) Oil and gas deposits in the continental shelf shall be subject to control and disposal only in accordance with the provisions of this Act and no rights in or claims to such deposits, whether based upon applications filed or other action taken heretofore or hereafter, shall be recognized except in accordance with the provisions of this Act.

SEC. 9. PROVISIONS FOR LEASING OF CONTINENTAL SHELF.—(a) When requested by any responsible and qualified person interested in purchasing oil and gas leases on any area of the continental shelf not then under lease issued by the abutting State or the Federal Government, or when in the Secretary's opinion there is a demand for the purchase of such leases, the Secretary shall offer for sale, on competitive sealed bidding, oil and gas leases on such area. Subject to the other terms and provisions hereof, sales of leases shall be made to the responsible and qualified bidder bidding the highest cash bonus per leasing unit. Notice of sale of oil and gas leases shall be published at least thirty days before the date of sale in accordance with rules and regulations promulgated by the Secretary, which publication shall contain (i) a description of the tracts into which the area to be leased has been subdivided by the Secretary for leasing purposes, such tracts being herein called "leasing units"; (ii) the minimum bonus per acre which will be accepted by the Secretary on each leasing unit; (iii) the amount of royalty as specified hereinafter in section 9 (d); (iv) the amount of rental per acre per annum on each leasing unit as specified hereinafter in section 9 (d); and (v) the time and place at which all bids shall be opened in public.

(b) The leasing units shall be in reasonably compact form of such area and dimensions as may be determined by the Secretary, but shall not be less than six hundred and forty acres nor more than two thousand five hundred and sixty acres if within the known geologic structure of a producing oil or gas field and shall not be less than two thousand five hundred and sixty acres nor more than seven thousand six hundred and eighty acres if not within any known geologic structure of a producing oil or gas field.

(c) Oil and gas leases sold under the provisions of this section shall be for the primary term of five years and shall continue so long thereafter as oil or gas is produced therefrom in paying quantities. Each lease shall contain provisions requiring the exercise of reasonable diligence, skill, and care in the operation of the lease, and requiring the lessee to conduct his operations thereon in accordance with sound and efficient oil-field practices to prevent waste of oil

or gas discovered under said lease or the entrance of water through wells drilled by him to the oil or gas sands or oil and gas bearing strata or the injury or destruction of the oil and gas deposits.

(d) Each lease shall provide that, on or after the discovery of oil or gas, the lessee shall pay a royalty of not less than 12½ per centum in amount or value of the production saved, removed, or sold from the leasing unit and, in any event, not less than $1 per acre per annum in lieu of rental for each lease year commencing after discovery. If after discovery of oil or gas the production thereof should cease from any cause, the lease shall not terminate if lessee commences additional drilling or reworking operations within ninety days thereafter or, if it be within the primary term, commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of ninety days from date of cessation of production. All leases issued hereunder shall be conditioned upon the payment by the lessee of a rental of $1 per acre annum for the second and every lease year thereafter during the primary term and in lieu of drilling operations on or production from the leasing unit, all such rentals to be payable on or before the beginning of each lease year.

(e) If, at the expiration of the primary term of any lease, oil or gas is not being produced in paying quantities on a leasing unit, but drilling operations are commenced not less than one hundred eighty days prior to the end of the primary term and such drilling operations or other drilling operations have been and are being diligently prosecuted and the lessee has otherwise performed his obligations under the lease, the lease shall remain in force so long as drilling operations are prosecuted with reasonable diligence and in a good and workmanlike manner, and if they result in the production of oil or gas so long thereafter as oil or gas is produced therefrom in paying quantities.

(f) Should a lessee in a lease issued under the provisions of title III of this Act fail to comply with any of the provisions of this Act or of the lease, such lease may, upon proper showing, be canceled in an appropriate court proceeding because of such failure; but before the institution of such a court proceeding the Secretary shall allow the lessee twenty days in which to show cause in writing why the proceeding should not be instituted, and any submission made by the lessee during that period shall be given consideration by the Secretary in determining whether to recommend to the Attorney General that a court proceeding be instituted against the lessee. If a lease or any interest therein is owned or controlled, directly or indirectly, in violation of any of the provisions of this Act, the lease may be canceled, or the interest so owned or controlled may by forfeited or the person so owning or controlling the interest may be compelled to dispose of the interest in an appropriate court proceeding.

(g) The provisions of sections 17, 17 (b), 28, 30, 30 (a), 30 (b), 32, 36, and 39 of the Mineral Leasing Act to the extent that such provisions are not inconsistent with the terms of this Act, are made applicable to lands leased or subject to lease by the Secretary under title III of this Act.

(h) Each lease shall contain such other terms and provisions consistent with the provisions of this Act as may be prescribed by the Secretary. The Secretary may delegate his authority under this Act to officers or employees of the Department of the Interior and may authorize subdelegation to the extent that he may deem proper.

(i) Citizens of another country, the laws, customs, or regulations of which deny similar or like privileges to citizens or corporations of this country, shall not directly or by stock ownership, stock holding, stock control, trusteeship, or otherwise, own or control any interest in any lease acquired under the provisions of this section. Any ownership or interest forbidden in this section which may be acquired by descent, will, judgment, or decree may be held for two years and not longer after its acquisition. No lands leased under the provisions of this section shall be subleased, trusteed, possessed, or controlled by any device or in any manner whatsoever so that they form a part of or are in anywise controlled by any combination in the form of an unlawful trust, with the consent of the lessee, or form the subject in whole or in part of any contract, agreement, understanding, or conspiracy, entered into by the lessee, to restrain trade or commerce in the production or sale of oil or gas or to control the price of oil or gas.

(j) Any lease obtained through the exercise of fraud or misrepresentation, or which is not performed in accordance with its terms or with this law, may by appropriate court action be invalidated.

SEC. 10. EXCHANGE OF EXISTING STATE LEASES IN CONTINENTAL SHELF FOR FEDERAL LEASES.—(a) The Secretary is authorized and directed to issue a lease to

any person in exchange for a lease covering lands in the continental shelf which (i) was issued by any State or its grantee prior to January 1, 1949, and which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, or (ii) was issued with the approval of the Secretary subsequent to January 1, 1949, and prior to the effective date of this Act and which on the effective date hereof was in force and effect in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease. Any lease issued pursuant to this section shall be for a term from the effective date hereof equal to the unexpired term of the old lease, or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, the same: *Provided, however*, That, if oil or gas was not being produced from such old lease on and before December 11, 1950, then any such new lease shall be for a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provisions of the old lease or any extensions, renewals or replacements authorized therein or heretofore authorized by the laws of the State issuing or whose grantee issued such lease, shall cover the same natural resources and the same portion of the continental shelf as the old lease, shall provide for payment to the United States of the same rentals, royalties, and other payments as are provided for in the old lease, and shall include such other terms and provisions, consistent with the provisions of this Act, as may be prescribed by the Secretary. Operations under such old lease may be conducted as therein provided until the issuance of an exchange lease hereunder or until it is determined that no such exchange lease shall be issued. No lease which has been determined by appropriate court action to have been obtained by fraud or misrepresentation shall be accepted for exchange under this section.

(b) No such exchange lease shall be issued unless, (i) an application therefor, accompanied by a copy of the lease from the State or its political subdivision or grantee offered in exchange, is filed with the Secretary within six months from the effective date of this Act, or within such further period as provided in section 18 hereof, or as may be fixed from time to time by the Secretary; (ii) the applicant states in his application that the lease applied for shall be subject to the same overriding royalty obligations as the lease issued by the State or its political subdivision or grantee; (iii) the applicant pays to the United States all rentals, royalties, and other sums due to the lessor under the old lease which have or may become payable after December 11, 1950, and which have not been paid to the lessor under the old lease; (iv) the applicant furnishes such surety bond, if any, as the Secretary may require and complies with such other reasonable requirements as the Secretary may deem necessary to protect the interests of the United States; and (v) the applicant files with the Secretary a certificate issued by the State official or agency having jurisdiction showing that the old lease was in force and effect in accordance with its terms and provisions and the laws of the State issuing it on the applicable date provided for in paragraph (a) of this section; or, in the absence of such certificate, evidence in the form of affidavit, receipts, canceled checks, and other documents showing such facts.

(c) All rents, royalties, and other sums payable under any such lease after December 11, 1950, and before the issuance of an exchange lease as herein provided, may be paid to the United States, subject, however, to accounting to the State which issued such lease or under whose authority the same was issued, in accordance with the provisions of section 12 hereof.

(d) In the event any lease covers lands of the continental shelf as well as other lands, the provisions of this section shall apply to such lease insofar only as it covers lands of the continental shelf.

SEC. 11. ACTIONS INVOLVING CONTINENTAL SHELF.—Any court proceeding involving the continental shelf may be instituted in the United States district court for the district in which the lessee, or the person owning or controlling the lease interest, may be found or for the district in which the leased property, or some part thereof, is located; or, if no part of the leased property is within any district, for the district nearest to the property involved.

SEC. 12. DIVISION OF PROCEEDS FROM THE CONTINENTAL SHELF.—Each constal State is hereby vested with the right of 37½ per centum of all moneys received by the United States, after the effective date of this Act, as bonus payments, rents, and royalties with respect to operations for oil, gas, or other minerals in lands in the continental shelf which would be within the boundaries of such State, if extended seaward to the outer margin of the continental shelf; and the Secretary of the Treasury within ninety days after the expiration of each fiscal year shall

pay to each such State the moneys to which it is so entitled. All other moneys received by the United States from operations in the continental shelf, under the provisions of this Act, shall be paid into the Treasury of the United States and applied to the payment of the principal of the national debt. If and whenever the United States shall take and receive in kind all or any part of the royalties referred to in this section, the value of such royalties so taken in kind shall be deemed to be the prevailing market price thereof at the time and place of production, and there shall be paid to the State entitled thereto as provided in this section, 37½ per centum of the value of such royalties.

SEC. 13. REFUNDS.—When it appears to the satisfaction of the Secretary that any person has made a payment to the United States in connection with any lease under this Act in excess of the amount he was lawfully required to pay, such excess shall be repaid to such person or his legal representative, if a request for repayment of such excess is filed with the Secretary within two years after the issuance of the lease or the making of the payment. The Secretary shall certify the amounts of all such repayments to the Secretary of the Treasury, who is authorized and directed to make such repayments out of any moneys not otherwise appropriated and to issue his warrant in settlement thereof.

SEC. 14. WAIVER OF LIABILITY FOR PAST OPERATIONS.—(a) No State, or political subdivision or grantee thereof, shall be liable to or required to account to the United States in any way for entering upon, using, exploring for, developing, producing, or disposing of natural resources from lands covered by title II or title III of this Act prior to the effective date of this Act.

(b) No lessee under any lease of submerged lands covered by this Act and granted by any State or political subdivision or grantee thereof prior to the effective date of this Act shall be liable or required to account to the United States for the use of such lands or any natural resources produced, extracted, or removed under such lease or for the value thereof, nor shall any person who has purchased or otherwise acquired such lands or natural resources be liable to account to the United States therefor or for the value thereof.

(c) If it shall be determined by appropriate court action that fraud has been practiced in the obtaining of any lease referred to herein or in the operations thereunder, the waivers provided in this section shall not be effective.

SEC. 15. POWERS RESERVED TO THE UNITED STATES.—The United States reserves and returns—

(a) in time of war or when necesary for national defense, and when so prescribed by the Congress or the President, the right (i) of first refusal to purchase at the prevailing market price all or any portion of the oil or gas that may be produced from the continental shelf; (ii) to terminate any lease issued or authorized pursuant to or validated by title III of this Act, in which event the United States shall become the owner of wells, fixtures, and improvements located on the area of such lease and shall be liable to the lessee for just compensation for such leaseholds, wells, fixtures, and improvements, to be determined as in the case of condemnation; (iii) to suspend operations under any lease issued or authorized pursuant to or validated by title III of this Act, in which event the United States shall be liable to the lessee for such compensation as is required to be paid under the Constitution of the United States; and payment of rentals, minimum royalty, and royalty prescribed by such lease shall likewise be suspended during any period of suspension of operations, and the term of any suspended lease shall be extended by adding thereto any suspension period;

(b) the right to designate by and through the Secretary of Defense, with the approval of the President, as restricted, those areas of the coutinental shelf needed for navigational purposes or for national defense; and so long as such designation remains in effect no exploration or operations may be conducted on any part of the surface of such area except with the concurrence of the Secretary of Defense; and if operations or production under any lease theretofore issued on lands within any such restricted area shall be suspended, any payment of rents, minimum royalty, and royalty prescribed by such lease likewise shall be suspended during such period of suspension of operation and production, and the terms of such lease shall be extended by adding thereto any such suspension period, and the United States shall be liable to the lessee for such compensation as is required to be paid under the Constitution of the United States;

(c) the ownership of and the right to extract helium from all gas produced from the continental shelf, subject to any lease issued pursuant to or validated by this Act under such general rules and regulations as shall be

prescribed by the Secretary but in the extraction of helium from such gas it shall be so extracted as to cause no substantial delay in the delivery of gas produced to the purchaser of such gas.

SEC. 16. GEOLOGICAL AND GEOPHYSICAL EXPLORATIONS.—The right of any person, subject to applicable provisions of law, and of any agency of the United States to conduct geological and geophysical explorations in the continental shelf, which do not interfere with or endanger actual operations under any lease issued pursuant to this Act, is hereby recognized.

SEC. 17. RIGHTS OF STATES NOT PREJUDICED.—Nothing contained in this Act shall operate to the prejudice of any State or of the United States in the determination by appropriate court action of any claim or claims of ownership or right of management, use, and disposition of the lands, minerals, or natural resources therein or thereunder within the continental shelf as these claims or rights may have existed prior to the passage of this Act. Any State which is found by appropriate court action to have owned or possessed, prior to the passage of this Act, the rights of management, use, or disposition of the lands, minerals, or other natural resources within any part of the continental shelf shall not by this Act be deprived of any such rights and powers.

SEC. 17. INTERPLEADER AND INTERIM ARRANGEMENTS.—(a) Notwithstanding the other provisions of this Act, if any lessee under any lease of submerged lands granted by any State, its political subdivisions, or grantees, prior to the effective date of this Act, shall file with the Secretary a certificate executed by such lessee under oath and stating that doubt exists (i) as to whether an area covered by such lease lies within the continental shelf, or (ii) as to whom the rents, royalties, or other sums payable under such lease are lawfully payable, or (iii) as to the validity of the claims of the State which issued, or whose political subdivision or grantee issued, such lease to the area covered by the lease and that such claims have not been determined by a final judgment of a court of competent jurisdiction—

(1) the lessee may interplead the United States and, with their consent, the State or States concerned, in an action filed in the United States district court having jurisdiction of any part of the area, and, in the event of State consent to he interpleaded, deposit with the clerk of that court all rents, royalties, and other sums payable under such lease after filing of such certificate, and such deposit shall be full performance of the lessee's obligation under such lease to make such payments; or

(2) the lessee may continue to pay all rents, royalties, and other sums payable under such lease to the State, its political subdivisions, or grantees, as in the lease provided, until it is determined by final judgment of a court of competent jurisdiction that such rents, royalties, and other sums should be paid otherwise, and thereafter such rents, royalties, and other sums shall be paid by said lessee in accordance with the determination of such final judment. In the event it shall be determined by such final judgment that the United States is entitled to any moneys theretofore paid to any State or political subdivision or grantee thereof, such State, its political subdivision, or grantee, as the case may be, shall promptly account to the United States therefore; or

(3) the lessee of ay such lease may file application for an exchange lease under section 10 hereof at any time prior to the expiration of six months after it is determined by final judgment of a court of competent jurisdiction that the claims of the State which issued, or whose political subdivision or grantee issued, such lease to the area covered by the lease are invalid as against the United States and that the lands covered by such lease are within the continental shelf.

(b) If any area of the continental shelf or other lands covered by this Act included in any lease issued by a State or its political subdivision or grantee is involved in litigation between the United States and such State, its political subdivision, or grantee, the lessee in such lease shall have the right to intervene in such action and deposit with the clerk of the court in which such case is pending any rents, royalties, and other sums payable under the lease subsequent to the effective date of this Act, and such deposit shall be full discharge and acquittance of the lessee for any payment so made.

SEC. 19. If any provision of this Act or the application thereof to any person or circumstance is held invalid, the validity of the remainder of the Act and of the application of such provision to other persons and circumstances shall not be affected thereby.

[H. R. 223, 83d Cong., 1st sess.]

A BILL To confirm and establish the titles of the States to lands and resources in and beneath navigable waters within State boundaries and to provide for the use and control of said lands and resources

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the United States of America, recognizing—

(a) that the several States, and the others as hereinafter mentioned, since July 4, 1776, or since their formation and admission to the Union, have exercised full powers of ownership of all lands beneath navigable waters within their respective boundaries and all natural resources within such lands and waters, and full control of said natural resources, with the full acquiescence and approval of the United States and in accordance with many decisions of the Supreme Court and of the executive departments of the Federal Government that such lands and resources were vested in the respective States as an incident to State sovereignty and that the exercise of such powers of ownership and control has not in the past and will not impair or interfere with the exercise by the Federal Government of its constitutional powers in relation to said lands and navigable waters and to the control and regulation of commerce, navigation, national defense, and international relations;

(b) that the several States, their subdivisions, and persons lawfully acting pursuant to State authority have expended enormous sums of money on improving and reclaiming said lands and in developing the natural resources in said lands and waters in full reliance upon the recognized rule of State ownership; and

(c) that a recent decision of the Supreme Court held that the Federal Government has certain paramount powers with respect to a portion of said lands without reaffirming or settling the ultimate question of ownership of such lands and resources, but said decision recognizes that the question of the ownership and control of said lands and natural resources is within the "congressional area of national power" and that Congress will not execute its powers "in such way as to bring about injustices to States, their subdivisions, or persons acting pursuant to their permission";

It is hereby determined and declared to be in the public interest that title to and ownership of the lands beneath navigable waters within the boundaries of the respective States, and the natural resources within such lands and waters, and the right and power to control, develop, and use the said natural resources in accordance with applicable State law are hereby recognized, confirmed, established, and vested in the respective States or the persons lawfully entitled thereto under the law as established by the decisions of the respective courts of such States, and the respective grantees, lessees, or successors in interest thereof; and the United States hereby releases and relinquishes unto said States and persons aforesaid all right, title, and interest of the United States, if any it has, in and to all said lands, improvements, and natural resources, and releases and relinquishes all claims of the United States, if any it has, arising out of any operations pursuant to State authority upon or within said lands and navigable waters.

SEC. 2. As used in this Act—

(a) the term "lands beneath navigable waters" includes (1) all lands within the boundaries of the respective States which are covered by waters which are navigable under the laws of the United States, and all lands permanently or periodically covered by tidal waters up to but not above the line of mean high tide and seaward to a line three geographical miles distant from the coast line of each respective State or to the boundary line of each such State where in any case such boundary extends seaward (or into the Great Lakes or Gulf of Mexico) beyond three geographical miles, and (2) all lands formerly beneath navigable waters, as herein defined, which have been filled or reclaimed;

(b) the terms "grantees" and "lessees" include (without limiting the generality thereof) all political subdivisions, municipalities, and persons holding grants or leases from a State to lands beneath navigable waters if such grants or leases were issued in accordance with the law of the State in which such lands are situated.

SEC. 3. There is excepted from the operation of the first section of this Act—

(a) all lands and resources therein or improvements thereon which have been lawfully acquired by the United States from any State or from any

person in whom title had vested under the decisions of the courts of such State, or their respective grantees, or successors in interest, by cession, grant, quitclaim, or condemnation, or from any other owner or owners thereof by conveyance or by condemnation, provided such owner or owners had lawfully acquired the right, title, or interest of any such State; and

(b) such lands beneath navigable waters within the boundaries of the respective States and such interests therein as the United States is lawfully entitled to under the law as established by the decisions of the courts of the State in which the land is situated, or which are held by the United States in trust for the benefit of any tribe, band, or group of Indians or for individual Indians.

SEC. 4. (a) The United States retains all its powers of regulation and control of said lands and navigable waters for the purposes of commerce, navigation, national defense, and international affairs except those powers and rights specifically recognized, confirmed, established, and vested in the respective States and others by the first section of this Act.

(b) The United States shall have the right and power, when necessary for national defense, to exercise the preference right to purchase the said natural resources or to acquire and use any portion of said lands by proceeding in accordance with the due process of law and paying just compensation.

SEC. 5. Nothing in this Act shall be deemed to affect the determination by legislation or judicial decree of any issues between the United States and the respective States relating to the ownership or control of that portion of the subsoil and sea bed of the Continental Shelf lying seaward and outside of the area of lands beneath navigable waters, described in section 2 hereof.

[H. R. 312, 83d Cong., 1st sess.]

A BILL To confirm and establish the titles of the States to lands and resources in and beneath navigable waters within State boundaries and to provide for the use and control of said lands and resources

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the United States of America, recognizing (a) that the several States, and the others as hereinafter mentioned, since July 4, 1776, or since their formation and admission to the Union, have exercised full powers of ownership of all lands beneath navigable waters within their respective boundaries and all natural resources within such lands and waters, and full control of said natural resources, with the full acquiescence and approval of the United States and in accordance with many decisions of the Supreme Court and of the executive departments of the Federal Government that such lands and resources were vested in the respective States as an incident to State sovereignty and that the exercise of such powers of ownership and control has not in the past and will not impair or interfere with the exercise by the Federal Government of its constitutional powers relative to said lands and navigable waters and to the control and regulation of commerce, navigation, national defense, and international relations.

(b) That the several States, their subdivisions, and persons lawfully acting pursuant to State authority have expended enormous sums of money on improving and reclaiming said lands and in developing the natural resources in said lands and waters in full reliance upon the recognized rule of State ownership.

(c) That a recent decision of the Supreme Court held that the Federal Government has certain paramount powers with respect to a portion of said lands without reaffirming or settling the ultimate question of ownership of such lands and resources, but said decision recognizes that the question of the ownership and control of said lands and natural resources, is within the congressional area of national power and that Congress will not execute its powers in such a way as to bring about injustices to States, their subdivisions, or persons acting pursuant to their permission.

It is hereby determined and declared to be in the public interest that title to and ownership of the lands beneath navigable waters within the boundaries of the respective States, and the natural resources within such lands and waters, and the right and power to control, develop, and use the said natural resources in accordance with applicable State law, be, and they hereby are, recognized, confirmed, established, and vested in the respective States or the persons law-

fully entitled thereto under the law as established by the decisions of the courts of such State, and the respective grantees, lessees, or successors in interest thereof; and the United States hereby releases and relinquishes unto said States and persons aforesaid all right, title, and interest of the United States, if any it has, in and to all said lands, improvements, and natural resources and releases and relinquishes all claims of the United States, if any it has, arising out of any operations pursuant to State authority upon or within said lands and navigable waters.

SEC. 2. As used in this Act, lands beneath navigable waters include (1) all lands within the boundaries of the respective States which are covered by waters which are navigable under the laws of the United States, and all lands permanently or periodically covered by tidal waters up to but not above the line of mean high tide and seaward to a line three geographical miles distant from the coast line of each respective State and to the boundary line of each such State where in any case such boundary extends seaward (or into the Great Lakes or Gulf of Mexico) beyond three geographical miles, and (2) all lands formerly beneath navigable waters, as herein defined, which have been filled or reclaimed.

The term "grantees" and "lessees", as used in this Act, shall be deemed to include (without limiting the generality thereof) all political subdivisions, municipalities, and persons holding grants or leases from a State to lands under navigable waters as above described: *Provided*, That such grants or leases were issued in accordance with the law of the State in which such lands are situated.

SEC. 3. There is excepted from the operation of section 1 hereof all lands and resources therein or improvements thereon which have been lawfully acquired by the United States from any State or from any person in whom title had vested under the decisions of the courts of such State, or their respective grantees, or successors in interest, by cession, grant, quitclaim, or condemnation, or from any other owner or owners thereof by conveyance or by condemnation: *Provided*, That such owner or owners had lawfully acquired the right, title, or interest of any such State; and also such lands beneath navigable waters within the boundaries of the respective States and such interests therein as the United States is lawfully entitled to under the law as established by the decisions of the courts of the State in which the land is situated, or which are held by the United States in trust for the benefit of any tribe, band, or group of Indians or for individual Indians.

SEC. 4. The United States retains all its powers of regulation and control of said lands and navigable waters for the purposes of commerce, navigation, national defense, and international affairs except those powers and rights specifically recognized, confirmed, established, and vested in the respective States and others by section 1 of this Act.

The United States shall have the right and power when necessary for national defense, to exercise the preference right to purchase the said natural resources or to acquire and use any portion of said lands by proceeding in accordance with the due process of law and paying just compensation.

SEC. 5 Nothing in this Act shall be deemed to affect the determination by legislation or judical decree of any issues between the United States and the respective States relating to the ownership or control of that portion of the subsoil and sea bed of the Continental Shelf lying seaward and outside of the area of lands beneath navigable waters described in section 2 hereof.

[H. R. 348, 83d Cong., 1st sess.]

A BILL To confirm and establish the titles of the States to lands beneath navigable waters within State boundaries and to the natural resources within such lands and waters, to provide for the use and control of said lands and resources, and to provide for the use, control, exploration, development, and conservation of certain resources of the continental shelf lying outside of State boundaries

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Submerged Lands Act".

TITLE I—DEFINITION

SEC. 2. When used in this Act—

(a) The term "lands beneath navigable waters" includes (1) all lands within the boundaries of each of the respective States which were covered by waters navigable under the laws of the United States at the time such State became a

member of the Union, and all lands permanently or periodically covered by tidal waters up to but not above the line of mean high tide and seaward to a line three geographical miles distant from the coast line of each such States and to the boundary line of each such State where in any case such boundary as it existed at the time such State became a member of the Union, or as heretofore or hereafter approved by Congress, extends seaward (or into the Great Lakes or Gulf of Mexico) beyond three geographical miles, and (2) all filled in, made, or reclaimed lands which formerly were lands beneath navigable waters, as herein defined; the term "boundaries" includes the seaward boundaries of a State or its boundaries in the Gulf of Mexico or any of the Great Lakes as they existed at the time such State became a member of the Union, or as heretofore or hereafter approved by the Congress, or as extended or confirmed pursuant to section 4 hereof;

(b) The term "coast line" means the line of ordinary low water along that portion of the coast which is in direct contact with the open sea and the line marking the seaward limit of inland waters, which include all estuaries, ports, harbors, bays, channels, straits, historic bays, and sounds, and all other bodies of water which join the open sea;

(c) The terms "grantees" and "lessees" include (without limiting the generality thereof) all political subdivisions, municipalities, public and private corporations, and other persons holding grants or leases from a State, or its predecessor sovereign, to lands beneath navigable waters if such grants or leases were issued in accordance with the constitution, statutes, and decisions of the courts of the State in which such lands are situated, or of its predecessor sovereign: *Provided, however*, That nothing herein shall be construed as conferring upon said grantees or lessees any greater rights or interests other than are described herein and in their respective grants from the State, or its predecessor sovereign;

(d) The term "natural resources" shall include, without limiting the generality thereof, fish, shrimp, oysters, clams, crabs, lobsters, sponges, kelp, and other marine animal and plant life but shall not include water power or the use of water for the production of power at any site where the United States now owns the water power;

(e) The term "lands beneath navigable waters" shall not include the beds of streams in lands now or heretofore constituting a part of the public lands of the United States if such streams were not meandered in connection with the public survey of such lands under the laws of the United States;

(f) The term "continental shelf" means all submerged lands (1) which lie outside and seaward of lands beneath navigable waters as defined hereinabove in section 2 (a), and (2) of which the subsoil and natural resources appertain to the United States and are subject to its jurisdiction and control;

(g) The term "Secretary" means the Secretary of the Interior;

(h) The term "State" means any State of the Union;

(i) The term "coastal States" shall mean those States, any portion of which borders upon the Atlantic Ocean, the Gulf of Mexico, or the Pacific Ocean;

(j) The term "person" includes any citizen of the United States, an association of such citizens, a State, a political subdivision of a State, or a private, public, or municipal corporation organized under the laws of the United States or of any State;

(k) The term "lease" whenever used with reference to action by a State or its political subdivision or grantee prior to January 1, 1949, shall be regarded as including any form of authorization for the use, development, or production of lands beneath navigable waters and the natural resources therein and thereunder, and the term "lessee" whenever used in such connection, shall be regarded as including any person having the right to develop or produce natural resources and any person having the right to use or develop lands beneath navigable waters under any such form of authorization;

(l) The term "Mineral Leasing Act" shall mean the Act of February 25, 1920 (41 Stat. 437; 30 U. S. C., sec. 181 and the following), and all Acts heretofore enacted which are amendatory thereof or supplementary thereto.

TITLE II—LANDS BENEATH NAVIGABLE WATERS WITHIN STATE BOUNDARIES

RIGHTS OF THE STATES

SEC. 3. It is hereby determined and declared to be in the public interest that title to and ownership of the lands beneath navigable waters within the bound-

aries of the respective States, and the natural resources within such lands and waters, and the right and power to control, develop, and use the said natural resources all in accordance with applicable State law be, and they are hereby, subject to the provisions hereof, recognized, confirmed, established, and vested in the respective States or the persons who were on June 5, 1950, entitled thereto under the property law of the respective States in which the land is located, and the respective grantees, lessees, or successors in interest thereof; and the United States hereby releases and relinquishes unto said States and persons aforesaid all right, title, and interest of the United States, if any it has, in and to all said lands, moneys, improvements, and natural resources, and releases and relinquishes all claims of the United States, if any it has, arising out of any operations of said States or persons pursuant to State authority upon or within said lands and navigable waters. The rights, powers, and titles hereby recognized, confirmed, established, and vested in the respective States and their grantees are subject to each lease executed by a State, or its grantee, which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, and such rights, powers, and titles are further subject to the rights herein now granted to any person holding any such lease to continue to maintain the lease, and to conduct operations thereunder, in accordance with its provisions, for the full term thereof, and any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued such lease: *Provided, however*, That, if oil or gas was not being produced from such lease on and before December 11, 1950, then for a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provisions of such lease or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, such lease: *Provided, however*, That all rents, royalties, and other sums payable under such lease and the laws of the State issuing or whose grantee issued such lease between June 5, 1950, and the effective date hereof, which have not been paid to the State or its grantee issuing it or to the Secretary of the Interior of the United States, shall be paid to the State or its grantee issuing such lease within ninety days from the effective date hereof: *Provided, however*, That nothing in this Act shall affect the use, development, improvement, or control by or under the constitutional authority of the United States of said lands and waters for the purposes of navigation or flood control or the production of power at any site where the United States now owns or may hereafter acquire the water power or be construed as the release or relinquishment of any rights of the United States arising under the constitutional authority of Congress to regulate or improve navigation or to provide for flood control or the production of power at any site where the United States now owns the water power: *Provided further*, That nothing in this Act shall be construed as affecting or intending to affect or in any way interfere with or modify the laws of the States which lie wholly or in part westward of the ninety-eighth meridian, relating to the ownership and control of ground and surface waters; and the control, appropriations, use, and distribution of such waters shall continue to be in accordance with the laws of such States.

SEAWARD BOUNDARIES

SEC. 4. Any State which has not already done so may extend its seaward boundaries to a line three geographical miles distant from its coast line, or, in the case of the Great Lakes, to the international boundary of the United States. Any claim heretofore or hereafter asserted either by constitutional provision, statute, or otherwise, indicating the intent of a State so to extend its boundaries is hereby approved and confirmed, without prejudice to its claim, if any it has, that its boundaries extend beyond that line. Nothing in this section is to be construed as questioning or in any manner prejudicing the existence of any State's seaward boundary beyond three geographical miles if it was so provided by its constitution or laws prior to or at the time such State became a member of the Union, or if it has been heretofore or is hereafter approved by Congress.

EXCEPTIONS FROM OPERATION OF SECTION 3 OF THIS ACT

SEC. 5. There is excepted from the operation of section 3 of this Act—

(a) All specifically described tracts or parcels of land and resources therein or improvements thereon title to which has been lawfully and expressly acquired by the United States from any State or from any person in whom title had vested

under the decisions of the courts of such State, or their respective grantees, or successors in interest, by cession, grant, quitclaim, or condemnation, or from any other owner or owners thereof by conveyance or by condemnation, provided such owner or owners had lawfully acquired the title to such lands and resources in accordance with the statutes or decisions of the courts of the States in which the lands are located; and

(b) Such lands beneath navigable waters within the boundaries of the respective States and such interests therein as are held by the United States in trust for the benefit of any tribe, band, or group of Indians or for individual Indians.

POWERS RETAINED BY THE UNITED STATES

SEC. 6. (a) The United States retains all its powers of regulation and control of said lands and navigable waters for the purposes of commerce, navigation, national defense, and international affairs, none of which includes any of the proprietary rights of ownership, or of use, development, and control of the lands and natural resources which are specifically recognized, confirmed, established, and vested in the respective States and others by section 3 of this Act.

(b) In time of war when necessary for national defense, and the Congress or the President shall so prescribe, the United States shall have the right of first refusal to purchase at the prevailing market price, all or any portion of the said natural resources, or to acquire and use any portion of said lands by proceeding in accordance with due process of law and paying just compensation therefor.

SEC. 7. Nothing in this Act shall be deemed to amend, modify, or repeal the Acts of July 26, 1866 (14 Stat. 251), July 9, 1870 (16 Stat. 217), March 3, 1877 (19 Stat. 377), June 17, 1902 (32 Stat. 388), and December 22, 1944 (58 Stat. 887), and Acts amendatory thereof or supplementary thereto.

TITLE III—CONTINENTAL SHELF OUTSIDE STATE BOUNDARIES

JURISDICTION OVER CONTINENTAL SHELF

SEC. 8. (a) It is hereby declared to be the policy of the United States that the natural resources of the subsoil and sea bed of the continental shelf appertain to the United States and are subject to its jurisdiction, control, and power of disposition as provided in this Act. Except to the extent that it is exercised in a manner inconsistent with applicable Federal laws, the police power of each coastal State may extend to that portion of the continental shelf which would be within the boundaries of such State if extended seaward to the outer margin of the continental shelf. The police power includes, but is not limited to, the power of taxation, conservation, and control of the manner of conducting geophysical explorations. This Act shall be construed in such manner that the character as high seas of the waters above the continental shelf and the right to their free and unimpeded navigation shall not be affected.

(b) Oil and gas deposits in the continental shelf shall be subject to control and disposal only in accordance with the provisions of this Act and no rights in or claims to such deposits, whether based upon applications filed or other action taken heretofore or hereafter, shall be recognized except in accordance with the provisions of this Act.

PROVISIONS FOR LEASING OF CONTINENTAL SHELF

SEC. 9. (a) When requested by any responsible and qualified person interested in purchasing oil and gas leases on any area of the continental shelf not then under lease issued by the abutting State or the Federal Government, or when in the Secretary's opinion there is a demand for the purchase of such leases, the Secretary shall offer for sale, on competitive sealed bidding, oil and gas leases on such area. Subject to the other terms and provisions hereof, sales of leases shall be made to the responsible and qualified bidder bidding the highest cash bonus per leasing unit. Notice of sale of oil and gas leases shall be published at least thirty days before the date of sale in accordance with rules and regulations promulgated by the Secretary, which publication shall contain (i) a description of the tracts into which the area to be leased has been subdivided by the Secretary for leasing purposes, such tracts being herein called "leasing units"; (ii) the minimum bonus per acre which will be accepted by the Secretary on each leasing unit; (iii) the amount of royalty as specified hereinafter in section 9 (d); (iv) the amount of rental per acre per annum on each leasing unit as specified hereinafter in section 9 (d); and (v) the time and place at which all bids shall be opened in public.

(b) The leasing units shall be in reasonably compact form of such area and dimensions as may be determined by the Secretary, but shall not be less thau six hundred and forty acres nor more than two thousand five hundred and sixty acres if within the known geologic structure of a producing oil or gas field and shall not be less than two thousand five hundred and sixty acres nor more than seven thousand six hundred and eighty acres if not within any known geologic structure of a producing oil or gas field.

(c) Oil and gas leases sold under the provisions of this section shall be for the primary term of five years aud shall continue so long thereafter as oil or gas is produced therefrom in paying quantities. Each lease shall contain provisions requiring the exercise of reasonable diligence, skill, and care in the operation of the lease, and requiring the lessee to conduct his operations thereon in accordance with sound and efficient oil-field practices to prevent waste of oil or gas discovered under said lease or the entrance of water through wells drilled by him to the oil or gas sands or oil and gas bearing strata or the injury or destruction of the oil and gas deposits.

(d) Each lease shall provide that, on or after the discovery of oil or gas, the lessee shall pay a royalty of not less than 12½ per centum in amount or value of the production saved, removed, or sold from the leasing unit and, in any event, not less than $1 per acre per annum in lieu of rental for each lease year commencing after discovery. If after discovery of oil or gas the production thereof should cease from any cause, the lease shall not terminate if lessee commences additional drilling or reworking operations within ninety days thereafter or, if it be within the primary term, commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of ninety days from date of cessation of production. All leases issued hereunder shall be conditioned upon the payment by the lessee of a rental of $1 per acre per annum for the second and every lease year thereafter during the primary term and in lieu of drilling operations on or productiou from the leasing unit, all such rentals to be payable on or before the beginning of each lease year.

(e) If, at the expiration of the primary term of any lease, oil or gas is not being produced in paying quantities on a leasing unit, but drilling operations are commenced not less than one hundred and eighty days prior to the end of the primary term and such drilling operations or other drilling operations have been and are being diligently prosecuted and the lessee has otherwise performed his obligations under the lease, the lease shall remain in force so long as drilling operations are prosecuted with reasonable diligence and in a good and workmanlike manner, and if they result in the production of oil or gas so long thereafter as oil or gas is produced therefrom in paying quantities.

(f) Should a lessee in a lease issued under the provisions of title III of this Act fail to comply with any of the provisions of this Act or of the lease, such lease may, upon proper showing, be canceled in an appropriate court proceeding because of such failure; but before the institution of such a court proceeding the Secretary shall allow the lessee twenty days in which to show cause in writing why the proceeding should not be instituted, and any submission made by the lessee during that period shall be given consideration by the Secretary in determining whether to recommend to the Attorney General that a court proceeding be instituted against the lessee. If a lease or any interest therein is owned or controlled, directly or indirectly, in violation of any of the provisions of this Act, the lease may be canceled, or the interest so owned or controlled may be forfeited or the person so owning or controlling the interest may be compelled to dispose of the interest in an appropriate court proceeding.

(g) The provisions of sections 17, 17 (b), 28, 30, 30 (a), 30 (b), 32, 36, and 39 of the Mineral Leasing Act to the extent that such provisions are not inconsistent with the terms of this Act, are made applicable to lands leased or subject to lease by the Secretary under title III of this Act.

(h) Each lease shall contain such other terms and provisions consistent with the provisions of this Act as may be prescribed by the Secretary. The Secretary may delegate his authority under this Act to officers or employees of the Department of the Interior and may authorize subdelegation to the extent that he may deem proper.

(i) Citizens of another country, the laws, customs, or regulations of which deny similar or like privileges to citizens or corporations of this country, shall not directly or by stock ownership, stock holding, stock control, trusteeship, or otherwise, own or control any interest in any lease acquired under the provisions

of this section. Any ownership or interest forbidden in this section which may be acquired by descent, will, judgment, or decree may be held for two years and not longer after its acquisition. No lands leased under the provisions of this section shall be subleased, trusteed, possessed, or controlled by and device or in any manner whatsoever so that they form a part of or are in any wise controlled by any combination in the form of an unlawful trust, with the consent of the lessee, or form the subject in whole or in part of any contract, agreement, understanding, or conspiracy, entered into by the lessee, to restrain trade or commerce in the production or sale of oil or gas or to control the price of oil or gas.

(j) Any lease obtained through the exercise of fraud or misrepresentation, or which is not performed in accordance with its terms or with this law, may by appropriate court action be invalidated.

EXCHANGE OF EXISTING STATE LEASES IN CONTINENTAL SHELF FOR FEDERAL LEASES

SEC. 10. (a) The Secretary is authorized and directed to issue a lease to any person in exchange for a lease covering lands in the continental shelf which (i) was issued by any State or its grantee prior to January 1, 1949, and which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, or (ii) was issued with the approval of the Secretary subsequent to January 1, 1949, and prior to the effective date of this Act and which on the effective date hereof was in force and effect in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease. Any lease issued pursuant to this section shall be for a term from the effective date hereof equal to the unexpired term of the old lease, or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, the same: *Provided, however*, That, if oil or gas was not being produced from such old lease on and before December 11, 1950, then any such new lease shall be for a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provisions of the old lease or any extensions, renewals, or replacements authorized therein or heretofore authorized by the laws of the State issuing or whose grantee issued such lease, shall cover the same natural resources and the same portion of the continental shelf as the old lease, shall provide for payment to the United States of the same rentals, royalties, and other payments as are provided for in the old lease, and shall include such other terms and provisions, consistent with the provisions of this Act, as may be prescribed by the Secretary. Operations under such old lease may be conducted as therein provided until the issuance of an exchange lease hereunder or until it is determined that no such exchange lease shall be issued. No lease which has been determined by appropriate court action to have been obtained by fraud or misrepresentation shall be accepted for exchange under this section.

(b) No such exchange lease shall be issued unless, (i) an application therefor, accompanied by a copy of the lease from the State or its political subdivision or grantee offered in exchange, is filed with the Secretary within six months from the effective date of this Act, or within such further period as provided in section 18 hereof, or as may be fixed from time to time by the Secretary; (ii) the applicant states in his application that the lease applied for shall be subject to the same overriding royalty obligations as the lease issued by the State or its political subdivision or grantee; (iii) the applicant pays to the United States all rentals, royalties, and other sums due to the lessor under the old lease which have or may become payable after December 11, 1950, and which have not been paid to the lessor under the old lease; (iv) the applicant furnishes such surety bond, if any, as the Secretary may require and complies with such other reasonable requirements as the Secretary may deem necessary to protect the interests of the United States; and (v) the applicant files with the Secretary a certificate issued by the State official or agency having jurisdiction showing that the old lease was in force and effect in accordance with its terms and provisions and the laws of the State issuing it on the applicable date provided for in paragraph (a) of this section; or, in the absence of such certificate, evidence in the form of affidavit, receipts, canceled checks, and other documents showing such facts.

(c) All rents, royalties, and other sums payable under any such lease after December 11, 1950, and before the issuance of an exchange lease as herein provided, may be paid to the United States, subject, however, to accounting to the State which issued such lease or under whose authority the same was issued, in accordance with the provisions of section 12 hereof.

(d) In the event any lease covers lands of the continental shelf as well as other lands, the provisions of this section shall apply to such lease insofar only as it covers lands of the continental shelf.

ACTIONS INVOLVING CONTINENTAL SHELF

SEC. 11. Any court proceeding involving the continental shelf may be instituted in the United States district court for the district in which the lessee, or the person owning or controlling the lease interest, may be found or for the district in which the leased property, or some part thereof, is located; or, if no part of the leased property is within any district, for the district nearest to the property involved.

DIVISION OF PROCEEDS FROM THE CONTINENTAL SHELF

SEC. 12. Each coastal State is hereby vested with the right to 37½ per centum of all moneys received by the United States, after the effective date of this Act, as bonus payments, rents, and royalties with respect to operations for oil, gas, or other minerals in lands in the continental shelf which would be within the boundaries of such State, if extended seaward to the outer margin of the continental shelf; and the Secretary of the Treasury within ninety days after the expiration of each fiscal year shall pay to each such State the the moneys to which it is so entitled. All other moneys received by the United States from operations in the continental shelf, under the provisions of this Act, shall be paid into the Treasury of the United States and applied to the payment of the principal of the national debt. If and whenever the United States shall take and receive in kind all or any part of the royalties referred to in this section, the value of such royalties so taken in kind shall be deemed to be the prevailing market price thereof at the time and place of production, and there shall be paid to the State entitled thereto as provided in this section, 37½ per centum of the value of such royalties.

REFUNDS

SEC. 13. When it appears to the satisfaction of the Secretary that any person has made a payment to the United States in connection with any lease under this Act in excess of the amount he was lawfully required to pay, such excess shall be repaid to such person or his legal representative, if a request for repayment of such excess is filed with the Secretary within two years after the issuance of the lease or the making of the payment. The Secretary shall certify the amounts of all such repayments to the Secretary of the Treasury, who is authorized and directed to make such repayments out of any moneys not otherwise appropriated and to issue his warrant in settlement thereof.

WAIVER OF LIABILITY FOR PAST OPERATIONS

SEC. 14. (a) No State, or political subdivision or grantee thereof, shall be liable to or required to account to the United States in any way for entering upon, using, exploring for, developing, producing, or disposing of natural resources from lands covered by title II or title III of this Act prior to the effective date of this Act.

(b) No lessee under any lease of submerged lands covered by this Act and granted by any State or political subdivision or grantee thereof prior to the effective date of this Act shall be liable or required to account to the United States for the use of such lands or any natural resources produced, extracted, or removed under such lease or for the value thereof, nor shall any person who has purchased or otherwise acquired such lands or natural resources be liable to account to the United States therefor or for the value thereof.

(c) If it shall be determined by appropriate court action that fraud has been practiced in the obtaining of any lease referred to herein or in the operations thereunder, the waivers provided in this section shall not be effective.

POWERS RESERVED TO THE UNITED STATES

SEC. 15. The United States reserves and returns (a) in time of war or when necessary for national defense, and when so prescribed by the Congress or the President, the right (i) of first refusal to purchase at the prevailing market price all or any portion of the oil or gas that may be produced from the continental shelf; (ii) to terminate any lease issued or authorized pursuant to or validated by title III of this Act, in which event the United States shall become the owner

of wells, fixtures, and improvements located on the area of such lease and shall be liable to the lessee for just compensation for such leaseholds, wells, fixtures, and improvements, to be determined as in the case of condemnation; (iii) to suspend operations under any lease issued or authorized pursuant to or validated by title III of this Act, in which event the United States shall be liable to the lessee for such compensation as is required to be paid under the Constitution of the United States; and payment of rentals, minimum royalty, and royalty prescribed by such lease shall likewise be suspended during any period of suspension of operations, and the term of any suspended lease shall be extended by adding thereto any suspension period;

(b) the right to designate by and through the Secretary of Defense, with the approval of the President, as restricted, those areas of the continental shelf needed for navigational purposes or for national defense; and so long as such designation remains in effect no exploration or operations may be conducted on any part of the surface of such area except with the concurrence of the Secretary of Defense; and if operations or production under any lease theretofore issued on lands within any such restricted area shall be suspended, any payment of rents, minimum royalty, and royalty prescribed by such lease likewise shall be suspended during such period of suspension of operation and production, and the term of such lease shall be extended by adding thereto any such suspension period, and the United States shall be liable to the lessee for such compensation as is required to be paid under the Constitution of the United States;

(c) the ownership of and the right to extract helium from all gas produced from the continental shelf, subject to any lease issued pursuant to or validated by this Act under such general rules and regulations as shall be prescribed by the Secretary, but in the extraction of helium from such gas it shall be so extracted as to cause no substantial delay in the delivery of gas produced to the purchaser of such gas.

GEOLOGICAL AND GEOPHYSICAL EXPLORATIONS

SEC. 16. The right of any person, subject to applicable provisions of law, and of any agency of the United States to conduct geological and geophysical explorations in the continental shelf, which do not interfere with or endanger actual operations under any lease issued pursuant to this Act, is hereby recognized.

RIGHTS OF STATES NOT PREJUDICED

SEC. 17. Nothing contained in this Act shall operate to the prejudice of any State or of the United States in the determination by appropriate court action of any claim or claims of ownership or right of management, use, and disposition of the lands, minerals, or natural resources therein or thereunder within the continental shelf as these claims or rights may have existed prior to the passage of this Act. Any State which is found by appropriate court action to have owned or possessed, prior to the passage of this Act, the rights of management, use, or disposition of the lands, minerals, or other natural resources within any part of the continental shelf shall not by this Act be deprived of any such rights and powers.

INTERPLEADER AND INTERIM ARRANGEMENTS

SEC. 18. (a) Notwithstanding the other provisions of this Act, if any lessee under any lease of submerged lands granted by any State, its political subdivisions, or grantees, prior to the effective date of this Act, shall file with the Secretary a certificate executed by such lessee under oath and stating that doubt exists (i) as to whether an area covered by such lease lies within the continental shelf, or (ii) as to whom the rents, royalties, or other sums payable under such lease are lawfully payable, or (iii) as to the validity of the claims of the State which issued, or whose political subdivision or grantee issued, such lease to the area covered by the lease and that such claims have not been determined by a final judgment of a court of competent jurisdiction—

(1) the lessee may interplead the United States and, with their consent, the State or States concerned, in an action filed in the United States district court having jurisdiction of any part of the area, and, in the event of State consent to be interpleaded, deposit with the clerk of that court all rents, royalties, and other sums payable under such lease after filing of such certificate, and such deposit shall be full performance of the lessee's obligation under such lease to make such payments; or

(2) the lessee may continue to pay all rents, royalties, and other sums payable under such lease to the State, its political subdivisions, or grantees, as in the lease provided, until it is determined by final judgment of a court of competent jurisdiction that such rents, royalties, and other sums should be paid otherwise, and thereafter such rents, royalties, and other sums shall be paid by said lessee in accordance with the determination of such final judgment. In the event it shall be determined by such final judgment that the United States is entitled to any moneys theretofore paid to any State or political subdivision or grantee thereof, such State, its political subdivision, or grantee, as the case may be, shall promptly account to the United States therefor; or

(3) the lessee of any such lease may file application for an exchange lease under section 10 hereof at any time prior to the expiration of six months after it is determined by final judgment of a court of competent jurisdiction that the claims of the State which issued, or whose political subdivision or grantee issued, such lease to the area covered by the lease or invalid as against the United States and that the lands covered by such lease are within the continental shelf.

(b) If any area of the continental shelf or other lands covered by this Act included in any lease issued by a State or its political subdivision or grantee is involved in litigation between the United States and such State, its political subdivision, or grantee, the lessee in such lease shall have the right to intervene in such action and deposit with the clerk of the court in which such case is pending any rents, royalties, and other sums payable under the lease subsequent to the effective date of this Act, and such deposit shall be full discharge and acquittance of the lessee for any payment so made.

SEC. 19. If any provision of this Act or the application thereof to any person or circumstance is held invalid, the validity of the remainder of the Act and of the application of such provision to other persons and circumstances shall not be affected thereby.

[H. R. 357, 83d Cong., 1st sess.]

A BILL To confirm and establish the titles of the States to lands beneath navigable waters within State boundaries and to the natural resources within such lands and waters, to provide for the use and control of said lands and resources, and to provide for the use, control, exploration, development, and conservation of certain resources of the continental shelf lying outside of State boundaries

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Submerged Lands Act".

TITLE I

DEFINITION

SEC. 2. When used in this Act—

(a) The term "lands beneath navigable waters" includes (1) all lands within the boundaries of each of the respective States which were covered by waters navigable under the laws of the United States at the time such State became a member of the Union, and all lands permanently or periodically covered by tidal waters up to but not above the line of mean high tide and seaward to a line three geographical miles distant from the coast line of each such State and to the boundary line of each such State where in any case such boundary as it existed at the time such State became a member of the Union, or as heretofore or hereafter approved by Congress, extends seaward (or into the Great Lakes or Gulf of Mexico) beyond three geographical miles, and (2) all filled in, made, or reclaimed lands which formerly were lands beneath navigable waters, as herein defined; the term "boundaries" includes the seaward boundaries of a State or its boundaries in the Gulf of Mexico or any of the Great Lakes as they existed at the time such State became a member of the Union, or as heretofore or hereafter approved by the Congress, or as extended or confirmed pursuant to section 4 hereof;

(b) The term "coast line" means the line of ordinary low water along that portion of the coast which is in direct contact with the open sea and the line marking the seaward limit of inland waters, which include all estuaries, ports, harbors, bays, channels, straits, historic bays, and sounds, and all other bodies of water which join the open sea;

(c) The terms "grantees" and "lessees" include (without limiting the generality thereof) all political subdivisions, municipalities, public and private corporations, and other persons holding grants or leases from a State, or its predecessor sovereign, to lands beneath navigable waters if such grants or leases were issued in accordance with the constitution, statutes, and decisions of the courts of the State in which such lands are situated, or of its predecessor sovereign: *Provided, however*, That nothing herein shall be construed as conferring upon said grantees or lessees any greater rights or interests other than are described herein and in their respective grants from the State, or its predecessor sovereign;

(d) The term "natural resources" shall include, without limiting the generality thereof, oil, gas and all other minerals, and fish, shrimp, oysters, clams, crabs, lobsters, sponges, kelp, and other marine animal and plant life but shall not include water power or the use of water for the production of power at any site where the United States now owns the water power;

(e) The term "lands beneath navigable waters" shall not include the beds of streams in lands now or heretofore constituting a part of the public lands of the United States if such streams were not meandered in connection with the public survey of such lands under the laws of the United States;

(f) The term "continental shelf" means all submerged lands (1) which lie outside and seawards of lands beneath navigable waters as defined hereinabove in section 2 (a), and (2) of which the subsoil and natural resources appertain to the United States and are subject to its jurisdiction and control;

(g) The term "Secretary" means the Secretary of the Interior;

(h) The term "State" means any State of the Union;

(i) The term "coastal States" shall mean those States, any portion of which borders upon the Atlantic Ocean, the Gulf of Mexico, or the Pacific Ocean;

(j) The term "person" includes any citizen of the United States, an association of such citizens, a State, a political subdivision of a State, or a private, public, or municipal corporation organized under the laws of the United States or of any State;

(k) The term "lease" whenever used with reference to action by a State or its political subdivision or grantee shall be regarded as including any form of authorization for the use, development or production of lands beneath navigable waters or lands of the continental shelf and the natural resources therein and thereunder, and the term "lessee" whenever used in such connection, shall be regarded as including any person having the right to develop or produce natural resources and any person having the right to use or develop lands beneath navigable waters or lands of the continental shelf under any such form of authorization;

(l) The term "Mineral Leasing Act" shall mean the Act of February 25, 1920 (41 Stat. 437; 30 U. S. C., sec. 181 and the following), and all Acts heretofore enacted which are amendatory thereof or supplementary thereto.

TITLE II

LANDS BENEATH NAVIGABLE WATERS WITHIN STATE BOUNDARIES

SEC. 3. RIGHTS OF THE STATES.—(a) It is hereby determined and declared to be in the public interest that (1) title to and ownership of the lands beneath navigable waters within the boundaries of the respective States, and the natural resources within such lands and waters, and (2) the right and power to manage, administer, lease, control, develop, and use the said natural resources all in accordance with applicable State law be, and they are hereby, subject to the provisions hereof, severally recognized, confirmed, established, vested in and/or delegated to the respective States or the persons who were on June 5, 1950, entitled thereto under the law of the respective States in which the land is located, and the respective grantees, lessees, or successors in interest thereof.

(b) (1) The United States hereby releases and relinquishes unto said States and persons aforesaid all right, title, and interest of the United States, if any it has, in and to all said lands, moneys, improvements, and natural resources; (2) the United States hereby releases and relinquishes all claims of the United States, if any it has, arising out of any operations of said States or persons pursuant to State authority upon or within said lands and navigable waters; and (3) the Secretary or the Treasurer of the United States shall pay to the respective States or their grantees issuing leases covering such lands or natural resources all moneys paid or tendered thereunder to the Secretary or to the Treasurer of the United States and subject to the control of either of them or to the control of

the United States on the effective date of this Act, except that portion of such moneys which the Secretary is obligated to return to a lessee who does not consent to such payment.

(c) The rights, powers, and titles hereby recognized, confirmed, established, vested in and delegated to the respective States and their grantees are subject to each lease executed by a State, or its grantee, which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, and such rights, powers, and titles are further subject to the rights herein now granted to any person holding any such lease to continue to maintain the lease, and to conduct operations thereunder, in accordance with its provisions, for the full term thereof, and any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued such lease: *Provided, however*, That, if oil or gas was not being produced from such lease on and before December 11, 1950, or if the primary term of such lease has expired since December 11, 1950, then for a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provisions of such lease or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, such lease: *Provided, however*, That within ninety days from the effective date hereof (i) the lessee shall pay to the State or its grantee issuing such lease all rentals, royalties, and other sums payable between June 5, 1950, and the effective date hereof under such lease and the laws of the State issuing or whose grantee issued such lease, except such rentals, royalties and other sums as have been paid to the State, its grantee, the Secretary or the Treasurer of the United States and not refunded to the lessee; and (ii) the lessee shall file with the Secretary and with the State issuing or whose grantee issued such lease, instruments consenting to the payment by the Secretary or the Treasurer of the United States to the State or its grantee issuing the lease, of all rentals, royalties and other payments under the control of the Secretary, the Treasurer, or the United States which have been paid under the lease, except such rentals, royalties and other payments as have also been paid by the lessee to the State or its grantee.

(d) Nothing in this Act shall affect the use, development, improvement, or control by or under the constitutional authority of the United States of said lands and waters for the purposes of navigation or flood control or the production of power at any site where the United States now owns or may hereafter acquire the water power or be construed as the release or relinquishment of any rights of the United States arising under the constitutional authority of Congress to regulate or improve navigation or to provide for flood control or the production of power at any site where the United States now owns the water power.

(e) Nothing in this Act shall be construed as affecting or intending to affect or in any way interfere with or modify the laws of the States which lie wholly or in part westward of the ninety-eighth meridian, relating to the ownership and control of ground and surface waters; and the control, appropriation, use, and distribution of such waters shall continue to be in accordance with the laws of such States.

(f) In the event any lease covers lands beneath navigable waters as well as other lands the provisions of this section shall apply to such lease insofar only as it covers lands beneath navigable waters.

SEC. 4. SEAWARD BOUNDARIES.—Any State which has not already done so may extend its seaward boundaries to a line three geographical miles distant from its coast line, or in the case of the Great Lakes, to the international boundary of the United States. Any claim heretofore or hereafter asserted either by constitutional provision, statute, or otherwise, indicating the intent of a State so to extend its boundaries is hereby approved and confirmed, without prejudice to its claim, if any it has, that its boundaries extend beyond that line. Nothing in this section is to be construed as questioning or in any manner prejudicing the existence of any State's seaward boundary beyond three geographical miles if it was so provided by its constitution or laws prior to or at the time such State became a member of the Union, or if it has been heretofore or is hereafter approved by Congress.

SEC. 5. EXCEPTIONS FROM OPERATION OF SECTION 3 OF THIS ACT.—There is excepted from the operation of section 3 of this Act—

(a) all specifically described tracts or parcels of land and resources therein or improvements thereon title to which has been lawfully and expressly

acquired by the United States from any State or from any person in whom title had vested under the decisions of the courts of such State, or their respective grantees, or successors in interest, by cession, grant, quitclaim, or condemnation, or from any other owner or owners thereof by conveyance or by condemnation, provided such owner or owners had lawfully acquired the title to such lands and resources in accordance with the statutes or decisions of the courts of the State in which the lands are located; and

(b) such lands beneath navigable waters within the boundaries of the respective States and such interests therein as are held by the United States in trust for the benefit of any tribe, band, or group of Indians or for individual Indians.

SEC. 6. POWERS RETAINED BY THE UNITED STATES.—(a) The United States retains all its rights in and powers of regulation and control of said lands and navigable waters for the purposes of commerce, navigation, national defense, and international affairs, except the proprietary rights of ownership and the rights of management, administration, leasing, use, development, and control of the lands and natural resources which are specifically recognized, confirmed, established, and vested in and delegated to the respective States and others by section 3 of this Act.

(b) In time of war when necessary for national defense, and the Congress or the President shall so prescribe, the United States shall have the right of first refusal to purchase at the prevailing market price, all or any portion of the said natural resources, or to acquire and use any portion of said lands by proceeding in accordance with due process of law and paying just compensation therefor.

SEC. 7. Nothing in this Act shall be deemed to amend, modify, or repeal the Acts of July 26, 1866 (14 Stat. 251), July 9, 1870 (16 Stat. 217), March 3, 1877 (19 Stat. 377), and June 17, 1902 (32 Stat. 388), and Acts amendatory thereof or supplementary thereto.

TITLE III

CONTINENTAL SHELF OUTSIDE STATE BOUNDARIES

SEC. 8. JURISDICTION OVER CONTINENTAL SHELF.—(a) It is hereby declared to be the policy of the United States that the natural resources of the subsoil and sea bed of the continental shelf appertain to the United States and are subject to its jurisdiction, control, and power of disposition as provided in this Act. Except to the extent that it is exercised in a manner inconsistent with applicable Federal laws, the police power of each coastal State may extend to that portion of the continental shelf which would be within the boundaries of such State if extended seaward to the outer margin of the continental shelf. The police power includes, but is not limited to, the power of taxation, conservation, and control of the manner of conducting geophysical explorations. This Act shall be construed in such manner that the character as high seas of the waters above the continental shelf and the right to their free and unimpeded navigation shall not be affected.

(b) Oil and gas deposits in the continental shelf shall be subject to control and disposal only in accordance with the provisions of this Act and no rights in or claims to such deposits, whether based upon applications filed or other action taken heretofore or hereafter, shall be recognized except in accordance with the provisions of this Act.

SEC. 9. PROVISIONS FOR LEASING OF CONTINENTAL SHELF.—(a) When requested by any responsible and qualified person interested in purchasing oil and gas leases on any area of the continental shelf not then under lease issued by the abutting State or the Federal Government, or when in the Secretary's opinion there is a demand for the purchase of such leases, the Secretary shall offer for sale, on competitive sealed bidding, oil and gas leases on such area. Subject to the other terms and provisions hereof, sales of leases shall be made to the responsible and qualified bidder bidding the highest cash bonus per leasing unit. Notice of sale of oil and gas leases shall be published at least 30 days before the date of sale in accordance with rules and regulations promulgated by the Secretary, which publication shall contain (i) a description of the tracts into which the area to be leased has been subdivided by the Secretary for leasing purposes, such tracts being herein called "leasing units"; (ii) the minimum bonus per acre which will be accepted by the Secretary on each leasing unit; (iii) the amount of royalty as specified hereinafter in section 9 (d); (iv) the amount of rental per acre per annum on each leasing unit as specified hereinafter in section 9 (d); and (v) the time and place at which all bids shall be opened in public.

(b) The leasing units shall be in reasonably compact form of such area and dimensions as may be determined by the Secretary, but shall not be less than six hundred and forty acres nor more than two thousand five hundred and sixty acres if within the known geologic structure of a producing oil or gas field and shall not be less than two thousand five hundred and sixty acres nor more than seven thousand six hundred and eighty acres if not within any known geologic structure of a producing oil or gas field.

(c) Oil and gas leases sold under the provisions of this section shall be for the primary term of five years and shall continue so long thereafter as oil or gas is produced therefrom in paying quantities. Each lease shall contain provisions requiring the exercise of reasonable diligence, skill, and care in the operation of the lease, and requiring the lessee to conduct his operations thereon in accordance with sound and efficient oil-field practices to prevent waste of oil or gas discovered under said lease or the entrance of water through wells drilled by him to the oil or gas sands or oil and gas bearing strata or the injury or destruction of the oil and gas deposits.

(d) Each lease shall provide that, on or after the discovery of oil or gas, the lessee shall pay a royalty of not less than 12½ per centum in amount or value of the production saved, removed, or sold from the leasing unit and, in any event, not less than $1 per acre per annum in lieu of rental for each lease year commencing after discovery. If after discovery of oil or gas the production thereof should cease from any cause, the lease shall not terminate if lessee commences additional drilling or reworking operations within ninety days thereafter or, if it be within the primary term, commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of ninety days from date of cessation of production. All leases issued hereunder shall be conditioned upon the payment by the lessee of a rental of not less than $1 per acre per annum for the second and every lease year thereafter during the primary term and in lieu of drilling operations on or production from the leasing unit, all such rentals to be payable on or before the beginning of each lease year.

(e) If, at the expiration of the primary term of any lease, oil or gas is not being produced in paying quantities on a leasing unit, but drilling operations are commenced not less than one hundred eighty days prior to the end of the primary term and such drilling operations or other drilling operations have been and are being diligently prosecuted and the lessee has otherwise performed his obligations under the lease, the lease shall remain in force so long as drilling operations are prosecuted with reasonable diligence and in a good and workmanlike manner, and if they result in the production of oil or gas so long thereafter as oil or gas is produced therefrom in paying quantities.

(f) Should a lessee in a lease issued under the provisions of title III of this Act fail to comply with any of the provisions of this Act or of the lease, such lease may, upon proper showing, be canceled in an appropriate court proceeding because of such failure; but before the institution of such a court proceeding the Secretary shall allow the lessee twenty days in which to show cause in writing why the proceeding should not be instituted, and any submission made by the lessee during that period shall be given consideration by the Secretary in determining whether to recommend to the Attorney General that a court proceeding be instituted against the lessee. If a lease or any interest therein is owned or controlled, directly or indirectly, in violation of any of the provisions of this Act, the lease may be canceled, or the interest so owned or controlled may be forfeited or the person so owning or controlling the interest may be compelled to dispose of the interest in an appropriate court proceeding.

(g) The provisions of sections 17, 17 (b), 28, 30, 30 (a), 30 (b), 32, 36, and 39 of the Mineral Leasing Act to the extent that such provisions are not inconsistent with the terms of this Act, are made applicable to lands leased or subject to lease by the Secretary under title III of this Act.

(h) Each lease shall contain such other terms and provisions consistent with the provisions of this Act as may be prescribed by the Secretary. The Secretary may delegate his authority under this Act to officers or employees of the Department of the Interior and may authorize subdelegation to the extent that he may deem proper.

(i) Citizens of another country, the laws, customs, or regulations of which deny similar or like privileges to citizens or corporations of this country, shall not directly or by stock ownership, stock holding, stock control, trusteeship, or otherwise, own or control any interest in any lease acquired under the provisions of this section. Any ownership or interest forbidden in this section which

may be acquired by descent, will, judgment, or decree may be held for two years and not longer after its acquisition. No lands leased under the provisions of this section shall be subleased, trusteed, possessed, or controlled by any device or in any manner whatsoever so that they form a part of or are in anywise controlled by any combination in the form of an unlawful trust, with the consent of the lessee, or form the subject in whole or in part of any contract, agreement, understanding, or conspiracy, entered into by the lessee, to restrain trade or commerce in the production or sale of oil or gas or to control the price of oil or gas.

(j) Any lease obtained through the exercise of fraud or misrepresentation, or which is not performed in accordance with its terms or with this law, may by appropriate court action be invalidated.

SEC. 10. EXCHANGE OF EXISTING STATE LEASES IN CONTINENTAL SHELF FOR FEDERAL LEASES.—(a) The Secretary is authorized and directed to issue a lease to any person in exchange for a lease covering lands in the continental shelf which (i) was issued by any State or its grantee prior to January 1, 1949, and which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, or (ii) was issued with the approval of the Secretary subsequent to January 1, 1949, and prior to the effective date of this Act and which on the effective date hereof was in force and effect in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease. Any lease issued pursuant to this section shall be for a term from the effective date hereof equal to the unexpired term of the old lease, or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, the same: *Provided, however*, That, if oil or gas was not being produced from such old lease on and before December 11, 1950, then any such new lease shall be for a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provisions of the old lease or any extensions, renewals or replacements authorized therein or heretofore authorized by the laws of the State issuing or whose grantee issued such lease, shall cover the same natural resources and the same portion of the continental shelf as the old lease, shall provide for payment to the United States of the same rentals, royalties, and other payments as are provided for in the old lease, and shall include such other terms and provisions, consistent with the provisions of this Act, as may be prescribed by the Secretary. Operations under such old lease may be conducted as therein provided until the issuance of an exchange lease hereunder or until it is determined that no such exchange lease shall be issued. No lease which has been determined by appropriate court action to have been obtained by fraud or misrepresentation shall be accepted for exchange under this section.

(b) No such exchange lease shall be issued unless, (i) an application therefor, accompanied by a copy of the lease from the State or its political subdivision or grantee offered in exchange, is filed with the Secretary within six months from the effective date of this Act, or within such further period as provided in section 17 hereof, or as many be fixed from time to time by the Secretary; (ii) the applicant states in his application that the lease applied for shall be subject to the same overriding royalty obligations as the lease issued by the State or its political subdivision or grantee; (iii) the applicant pays to the United States all rentals, royalties, and other sums due to the lessor under the old lease which have or may become payable after December 11, 1950, and which have not been paid to the lessor or to the Secretary under the old lease; (iv) the applicant furnishes such surety bond, if any, as the Secretary may require and complies with such other reasonable requirements as the Secretary may deem necessary to protect the interests of the United States; and (v) the applicant files with the Secretary a certificate issued by the State official or agency having jurisdiction showing that the old lease was in force and effect in accordance with its terms and provisions and the laws of the State issuing it on the applicable date provided for in paragraph (a) of this section; or, in the absence of such certificate, evidence in the form of affidavit, receipts, canceled checks, and other documents showing such facts.

(c) All rentals, royalties, and other sums payable under any such lease after December 11, 1950, and before the issuance of an exchange lease as herein provided, may be paid to the United States, subject, however, to accounting to the State which issued such lease or under whose authority the same was issued, in accordance with the provisions of section 12 hereof.

(b) The leasing units shall be in reasonably compact form of such area and dimensions as may be determined by the Secretary, but shall not be less than six hundred and forty acres nor more than two thousand five hundred and sixty acres if within the known geologic structure of a producing oil or gas field and shall not be less than two thousand five hundred and sixty acres nor more than seven thousand six hundred and eighty acres if not within any known geologic structure of a producing oil or gas field.

(c) Oil and gas leases sold under the provisions of this section shall be for the primary term of five years and shall continue so long thereafter as oil or gas is produced therefrom in paying quantities. Each lease shall contain provisions requiring the exercise of reasonable diligence, skill, and care in the operation of the lease, and requiring the lessee to conduct his operations thereon in accordance with sound and efficient oil-field practices to prevent waste of oil or gas discovered under said lease or the entrance of water through wells drilled by him to the oil or gas sands or oil and gas bearing strata or the injury or destruction of the oil and gas deposits.

(d) Each lease shall provide that, on or after the discovery of oil or gas, the lessee shall pay a royalty of not less than 12½ per centum in amount or value of the production saved, removed, or sold from the leasing unit and, in any event, not less than $1 per acre per annum in lieu of rental for each lease year commencing after discovery. If after discovery of oil or gas the production thereof should cease from any cause, the lease shall not terminate if lessee commences additional drilling or reworking operations within ninety days thereafter or, if it be within the primary term, commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of ninety days from date of cessation of production. All leases issued hereunder shall be conditioned upon the payment by the lessee of a rental of not less than $1 per acre per annum for the second and every lease year thereafter during the primary term and in lieu of drilling operations on or production from the leasing unit, all such rentals to be payable on or before the beginning of each lease year.

(e) If, at the expiration of the primary term of any lease, oil or gas is not being produced in paying quantities on a leasing unit, but drilling operations are commenced not less than one hundred eighty days prior to the end of the primary term and such drilling operations or other drilling operations have been and are being diligently prosecuted and the lessee has otherwise performed his obligations under the lease, the lease shall remain in force so long as drilling operations are prosecuted with reasonable diligence and in a good and workmanlike manner, and if they result in the production of oil or gas so long thereafter as oil or gas is produced therefrom in paying quantities.

(f) Should a lessee in a lease issued under the provisions of title III of this Act fail to comply with any of the provisions of this Act or of the lease, such lease may, upon proper showing, be canceled in an appropriate court proceeding because of such failure; but before the institution of such a court proceeding the Secretary shall allow the lessee twenty days in which to show cause in writing why the proceeding should not be instituted, and any submission made by the lessee during that period shall be given consideration by the Secretary in determining whether to recommend to the Attorney General that a court proceeding be instituted against the lessee. If a lease or any interest therein is owned or controlled, directly or indirectly, in violation of any of the provisions of this Act, the lease may be canceled, or the interest so owned or controlled may be forfeited or the person so owning or controlling the interest may be compelled to dispose of the interest in an appropriate court proceeding.

(g) The provisions of sections 17, 17 (b), 28, 30, 30 (a), 30 (b), 32, 36, and 39 of the Mineral Leasing Act to the extent that such provisions are not inconsistent with the terms of this Act, are made applicable to lands leased or subject to lease by the Secretary under title III of this Act.

(h) Each lease shall contain such other terms and provisions consistent with the provisions of this Act as may be prescribed by the Secretary. The Secretary may delegate his authority under this Act to officers or employees of the Department of the Interior and may authorize subdelegation to the extent that he may deem proper.

(i) Citizens of another country, the laws, customs, or regulations of which deny similar or like privileges to citizens or corporations of this country, shall not directly or by stock ownership, stock holding, stock control, trusteeship, or otherwise, own or control any interest in any lease acquired under the provisions of this section. Any ownership or interest forbidden in this section which

may he acquired by descent, will, judgment, or decree may be held for two years and not longer after its acquisition. No lands leased under the provisions of this section shall be subleased, trusteed, possessed, or controlled by any device or in any manner whatsoever so that they form a part of or are in anywise controlled by any combination in the form of an unlawful trust, with the consent of the lessee, or form the subject in whole or in part of any contract, agreement, understanding, or conspiracy, entered into by the lessee, to restrain trade or commerce in the production or sale of oil or gas or to control the price of oil or gas.

(j) Any lease obtained through the exercise of fraud or misrepresentation, or which is not performed in accordance with its terms or with this law, may by appropriate court action be invalidated.

SEC. 10. EXCHANGE OF EXISTING STATE LEASES IN CONTINENTAL SHELF FOR FEDERAL LEASES.—(a) The Secretary is authorized and directed to issue a lease to any person in exchange for a lease covering lands in the continental shelf which (i) was issued by any State or its grantee prior to January 1, 1949, and which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, or (ii) was issued with the approval of the Secretary subsequent to January 1, 1949, and prior to the effective date of this Act and which on the effective date hereof was in force and effect in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease. Any lease issued pursuant to this section shall be for a term from the effective date hereof equal to the unexpired term of the old lease, or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, the same: *Provided, however,* That, if oil or gas was not being produced from such old lease on and before December 11, 1950, then any such new lease shall be for a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provisions of the old lease or any extensions, renewals or replacements authorized therein or heretofore authorized by the laws of the State issuing or whose grantee issued such lease, shall cover the same natural resources and the same portion of the continental shelf as the old lease, shall provide for payment to the United States of the same rentals, royalties, and other payments as are provided for in the old lease, and shall include such other terms and provisions, consistent with the provisions of this Act, as may be prescribed by the Secretary. Operations under such old lease may be conducted as therein provided until the issuance of an exchange lease hereunder or until it is determined that no such exchange lease shall be issued. No lease which has been determined by appropriate court action to have been obtained by fraud or misrepresentation shall be accepted for exchange under this section.

(b) No such exchange lease shall be issued unless, (i) an application therefor, accompanied by a copy of the lease from the State or its political subdivision or grantee offered in exchange, is filed with the Secretary within six months from the effective date of this Act, or within such further period as provided in section 17 hereof, or as many he fixed from time to time by the Secretary; (ii) the applicant states in his application that the lease applied for shall be subject to the same overriding royalty obligations as the lease issued by the State or its political subdivision or grantee; (iii) the applicant pays to the United States all rentals, royalties, and other sums due to the lessor under the old lease which have or may become payable after December 11, 1950, and which have not been paid to the lessor or to the Secretary under the old lease; (iv) the applicant furnishes such surety bond, if any, as the Secretary may require and complies with such other reasonable requirements as the Secretary may deem necessary to protect the interests of the United States; and (v) the applicant files with the Secretary a certificate issued by the State official or agency having jurisdiction showing that the old lease was in force and effect in accordance with its terms and provisions and the laws of the State issuing it on the applicable date provided for in paragraph (a) of this section; or, in the absence of such certificate, evidence in the form of affidavit, receipts, canceled checks, and other documents showing such facts.

(c) All rentals, royalties, and other sums payable under any such lease after December 11, 1950, and before the issuance of an exchange lease as herein provided, may be paid to the United States, subject, however, to accounting to the State which issued such lease or under whose authority the same was issued, in accordance with the provisions of section 12 hereof.

(d) In the event any lease covers lands of the continental shelf as well as other lands, the provisions of this section shall apply to such lease insofar only as it covers lands of the continental shelf.

SEC. 11. ACTIONS INVOLVING CONTINENTAL SHELF.—Any court proceeding involving the continental shelf may be instituted in the United States district court for the district in which the lessee, or the person owning or controlling the lease interest, may be found or for the district in which the leased property, or some part thereof, is located; or, if no part of the leased property is within any district, for the district nearest to the property involved.

SEC. 12. DIVISION OF PROCEEDS FROM THE CONTINENTAL SHELF.—Each coastal State is hereby vested with the right to 37½ per centum of all moneys received by the United States, after the effective date of this Act, as bonus payments, rentals, and royalties with respect to operations for oil, gas, or other minerals in lands in the continental shelf which would be within the boundaries of such State, if extended seaward to the outer margin of the continental shelf; and the Secretary of the Treasury within ninety days after the expiration of each fiscal year shall pay to each such State the moneys to which it is so entitled. All other moneys received by the United States from operations in the continental shelf, under the provisions of this Act, shall be paid into the Treasury of the United States and applied to the payment of the principal of the national debt. If and whenever the United States shall take and receive in kind all or any part of the royalties referred to in this section, the value of such royalties so taken in kind shall be deemed to be the prevailing market price thereof at the time and place of production, and there shall be paid to the State entitled thereto as provided in this section, 37½ per centum of the value of such royalties.

SEC. 13. REFUNDS.—When it appears to the satisfaction of the Secretary that any person has made a payment to the United States in connection with any lease under this Act in excess of the amount he was lawfully required to pay, such excess shall be repaid to such person or his legal representative, if a request for repayment of such excess is filed with the Secretary within two years after the issuance of the lease or the making of the payment. The Secretary shall certify the amounts of all such repayments to the Secretary of the Treasury, who is authorized and directed to make such repayments out of any moneys not otherwise appropriated and to issue his warrant in settlement thereof.

SEC. 14. WAIVER OF LIABILITY FOR PAST OPERATIONS.—(a) No State, or political subdivision, grantee, or lessee, shall be liable to or required to account to the United States in any way for entering upon, using, exploring for, developing, producing, or disposing of natural resources from lands of the continental shelf prior to December 11, 1950.

(b) If it shall be determined by appropriate court action that fraud has been practiced in the obtaining of any lease referred to herein or in the operations thereunder, the waivers provided in this section shall not be effective.

SEC. 15. POWERS RESERVED TO THE UNITED STATES.—The United States reserves and retains—

(a) in time of war or when necessary for national defense, and when so prescribed by the Congress or the President, the right (i) of first refusal to purchase at the prevailing market price all or any portion of the oil or gas that may be produced from the continental shelf; (ii) to terminate any lease issued or authorized pursuant to or validated by title III of this Act, in which event the United States shall become the owner of wells, fixtures, and improvements located on the area of such lease and shall be liable to the lessee for just compensation for such leaseholds, wells, fixtures, and improvements, to be determined as in the case of condemnation; (iii) to suspend operations under any lease issued or authorized pursuant to or validated by title III of this Act, in which event the United States shall be liable to the lessee for such compensation as is required to be paid under the Constitution of the United States; and payment of rentals, minimum royalty, and royalty prescribed by such lease shall likewise be suspended during any period of suspension of operations, and the term of any suspended lease shall be extended by adding thereto any suspension period;

(b) the right to designate by and through the Secretary of Defense, with the approval of the President, as restricted, those areas of the continental shelf needed for navigational purposes or for national defense; and so long as such designation remains in effect no exploration or operations may be conducted on any part of the surface of such area except with the concur-

rence of the Secretary of Defense; and if operations or production under any lease theretofore issued on lands within any such restricted area shall be suspended, any payment of rentals, minimum royalty, and royalty prescribed by such lease likewise shall be suspended during such period of suspension of operation and production, and the term of such lease shall be extended by adding thereto any such suspension period, and the United States shall be liable to the lessee for such compensation as is required to be paid under the Constitution of the United States;

(c) the ownership of and the right to extract helium from all gas produced from the continental shelf, subject to any lease issued pursuant to or validated by this Act under such general rules and regulations as shall be prescribed by the Secretary, but in the extraction of helium from such gas it shall be so extracted as to cause no substantial delay in the delivery of gas produced to the purchaser of such gas.

SEC. 16. GEOLOGICAL AND GEOPHYSICAL EXPLORATIONS.—The right of any person, subject to applicable provisions of law, and of any agency of the United States to conduct geological and geophysical explorations in the continental shelf, which do not interfere with or endanger actual operations under any lease issued pursuant to this Act is hereby recognized.

SEC. 17. INTERPLEADER AND INTERIM ARRANGEMENTS.—(a) Notwithstanding the other provisions of this Act, if any lessee under any lease of submerged lands granted by any State, its political subdivisions, or grantees, prior to the effective date of this Act, shall file with the Secretary a certificate executed by such lessee under oath and stating that doubt exists (i) as to whether an area covered by such lease lies within the continental shelf, or (ii) as to whom the rentals, royalties, or other sums payable under such lease are lawfully payable, or (iii) as to the validity of the claims of the State which issued, or whose political subdivision or grantee issued, such lease to the area covered by the lease and that such claims have not been determined by a final judgment of a court of competent jurisdiction—

(1) the lessee may interplead the United States and, with their consent, the State or States concerned, in an action filed in the United States district court having jurisdiction of any part of the area, and, in the event of State consent to be interpleaded, deposit with the clerk of that court all rentals, royalties, and other sums payable under such lease after filing of such certificate; and such deposit shall be full performance of the lessee's obligation under such lease to make such payments; or

(2) the lessee may continue to pay all rentals, royalties, and other sums payable under such lease to the State, its political subdivisions, or grantees, as in the lease provided, until it is determined by final judgment of a court of competent jurisdiction that such rentals, royalties, and other sums should be paid otherwise, and thereafter such rentals, royalties, and other sums shall be paid by said lessee in accordance with the determination of such final judgment. In the event it shall be determined by such final judgment that the United States is entitled to any moneys theretofore paid to any State or political subdivision or grantee thereof, such State, its political subdivision, or grantee, as the case may be, shall promptly account to the United States therefor; and

(3) the lessee of any such lease may file application for an exchange lease under section 10 hereof at any time prior to the expiration of six months after it is determined by final judgment of a court of competent jurisdiction that the claims of the State which issued, or whose political subdivision or grantee issued, such lease to the area covered by the lease are invalid as against the United States and that the lands covered by such lease are within the continental shelf.

(b) If any area of the continental shelf or other lands covered by this Act included in any lease issued by a State or its political subdivision or grantee is involved in litigation between the United States and such State, its political subdivision, or grantee, the lessee in such lease shall have the right to intervene in such action and deposit with the clerk of the court in which such case is pending any rentals, royalties, and other sums payable under the lease subsequent to the effective date of this Act, and such deposit shall be full discharge and acquittance of the lessee for any payment so made.

TITLE IV

GENERAL

SEC. 18. SEPARABILITY.—If any provision of this Act, or any section, subsection, sentence, clause, phrase, or individual word, or the application thereof to any person or circumstance is held invalid, the validity of the remainder of the Act and of the application of any such provision, section, subsection, sentence, clause, phrase, or individual word to other persons and circumstances shall not be affected thereby; without limiting the generality of the foregoing, if subsection 3 (a) 1, 3 (a) 2, 3 (b) 1, 3 (b) 2, 3 (b) 3, or 3 (e) or any provision of any of those subsections is held invalid, such subsection or provision shall be held separable and the remaining subsections and provisions shall not be affected thereby.

[H. R. 371, 83d Cong., 1st sess.]

A BILL To confirm and establish the titles of the States to lands beneath navigable waters within State boundaries and to the natural resources within such lands and waters, to provide for the use and control of said lands and resources, and to provide for the use, control, exploration, development, and conservation of certain resources of the continental shelf lying outside of State boundaries

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this act may be cited as the "Submerged Lands Act".

TITLE I—DEFINITION

SEC. 2. When used in this Act—

(a) The term "lands beneath navigable waters" includes (1) all lands within the boundaries of each of the respective States which were covered by waters navigable under the laws of the United States at the time such State became a member of the Union, and all lands permanently or periodically covered by tidal waters up to but not above the line of mean high tide and seaward to a line three geographical miles distant from the coast line of each such State and to the boundary line of each such State where in any case such boundary as it existed at the time such State became a member of the Union, or as heretofore or hereafter approved by Congress, extends seaward (or into the Great Lakes or Gulf of Mexico) beyond three geographical miles, and (2) all filled in, made, or reclaimed lands which formerly were lands beneath navigable waters, as herein defined; the term "boundaries" includes the seaward boundaries of a State or its boundaries in the Gulf of Mexico or any of the Great Lakes as they existed at the time such State became a member of the Union, or as heretofore or hereafter approved by the Congress, or as extended or confirmed pursuant to section 4 hereof;

(b) The term "coast line" means the line of ordinary low water along that portion of the coast which is in direct contact with the open sea and the line marking the seaward limit of inland waters, which includes all estuaries, ports, harbors, bays, channels, straits, historic bays, and sounds, and all other bodies of water which join the open sea;

(c) The terms "grantees" and "lessees" include (without limiting the generality thereof) all political subdivisions, municipalities, public and private corporations, and other persons holding grants or leases from a State, or its predecessor sovereign, to lands beneath navigable waters if such grants or leases were issued in accordance with the constitution, statutes, and decisions of the courts of the State in which such lands are situated, or of its predecessor sovereign: *Provided, however*, That nothing herein shall be construed as conferring upon said grantees or lessees any greater rights or interests other than are described herein and in their respective grants from the State, or its predecessor sovereign;

(d) The term "natural resources" shall include, without limiting the generality thereof, fish, shrimp, oysters, clams, crabs, lobster, sponges, kelp, and other marine animal and plant life but shall not include water power or the use of water for the production of power at any site where the United States now owns the water power;

(e) The term "lands beneath navigable waters" shall not include the beds of streams in lands now or heretofore constituting a part of the public lands of the United States if such streams were not meandered in connection with the public survey of such lands under the laws of the United States;

(f) The term "continental shelf" means all submerged lands (1) which lie outside and seaward of lands beneath navigable waters as defined hereinabove

in section 2 (a), and (2) of which the subsoil and natural resources appertain to the United States and are subject to its jurisdiction and control;

(g) The term "Secretary" means the Secretary of the Interior;

(h) The term "State" means any State of the Union;

(i) The term "coastal States" shall mean those States, any portion of which border upon the Atlantic Ocean, the Gulf of Mexico, or the Pacific Ocean;

(j) The term "person" includes any citizen of the United States, an association of such citizens, a State, a political subdivision of a State, or a private, public or municipal corporation organized under the laws of the United States or of any State;

(k) The term "lease" whenever used with reference to action by a State or its political subdivision or grantee prior to January 1, 1949, shall be regarded as including any form of authorization for the use, development or production of lands beneath navigable waters and the natural resources therein and thereunder, and the term "lessee" whenever used in such connection, shall be regarded as including any person having the right to develop or produce natural resources and any person having the right to use or develop lands beneath navigable waters under any such form of authorization;

(l) The term "Mineral Leasing Act" shall mean the Act of February 25, 1920 (41 Stat. 437; 30 U. S. C., sec. 181 and the following), and all Acts heretofore enacted which are amendatory thereof or supplementary thereto.

TITLE II—LANDS BENEATH NAVIGABLE WATERS WITHIN STATE BOUNDARIES

RIGHTS OF THE STATES

SEC. 3. It is hereby determined and declared to be in the public interest that title to and ownership of the lands beneath navigable waters within the boundaries of the respective States, and the natural resources within such lands and waters, and the right and power to control, develop, and use the said natural resources all in accordance with applicable State law be, and they are hereby, subject to the provisions hereof, recognized, confirmed, established, and vested in the respective States or the persons who were on June 5, 1950, entitled thereto under the property law of the respective States in which the land is located, and the respective grantees, lessees, or successors in interest thereof; and the United States hereby releases and relinquishes unto said States and persons aforesaid all right, title, and interest of the United States, if any it has, in and to all said lands, moneys, improvements, and natural resources, and releases and relinquishes all claims of the United States, if any it has, arising out of any operations of said States or persons pursuant to State authority upon or within said lands and navigable waters. The rights, powers, and titles hereby recognized, confirmed, established, and vested in the respective States and their grantees are subject to each lease executed by a State, or its grantee, which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, and such rights, powers, and titles are further subject to the rights herein now granted to any person holding any such lease to continue to maintain the lease, and to conduct operations thereunder, in accordance with its provisions, for the full term thereof, and any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued such lease: *Provided, however*, That, if oil or gas was not being produced from such lease on and before December 11, 1950, then for a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provisions of such lease or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, such lease: *Provided, however*, That all rents, royalties, and other sums payable under such lease and the laws of the State issuing or whose grantee issued such lease between June 5, 1950, and the effective date hereof, which have not been paid to the State or its grantee issuing it or to the Secretary of the Interior of the United States, shall be paid to the State or its grantee issuing such lease within 90 days from the effective date hereof: *Provided, however*, That nothing in this Act shall affect the use, development, improvement, or control by or under the constitutional authority of the United States of said lands and waters for the purposes of navigation or flood control or the production of power at any site where the United States now owns or may hereafter

acquire the water power or be construed as the release or relinquishment of any rights of the United States arising under the constitutional authority of Congress to regulate or improve navigation or to provide for flood control or the production of power at any site where the United States now owns the water power.

SEAWARD BOUNDARIES

SEC. 4. Any State which has not already done so may extend its seaward boundaries to a line three geographical miles distant from its coast line, or in the case of the Great Lakes, to the international boundary of the United States. Any claim heretofore or hereafter asserted either by constitutional provision, statute, or otherwise, indicating the intent of a State so to extend its boundaries is hereby approved and confirmed, without prejudice to its claim, if any it has, that its boundaries extend beyond that line. Nothing in this section is to be construed as questioning or in any manner prejudicing the existence of any State's seaward boundary beyond three geographical miles if it was so provided by its constitution or laws prior to or at the time such State became a member of the Union, or if it has been heretofore or is hereafter approved by Congress.

EXCEPTIONS FROM OPERATIONS OF SECTION 3 OF THIS ACT

SEC. 5. There is excepted from the operation of section 3 of this Act—

(a) all specifically described tracts or parcels of land and resources therein or improvements thereon title to which has been lawfully and expressly acquired by the United States from any State or from any person in whom title had vested under the decisions of the courts of such State, or their respective grantees, or successors in interest, by cession, grant, quitclaim, or condemnation, or from any other owner or owners thereof by conveyance or by condemnation, provided such owner or owners had lawfully acquired the title to such lands and resources in accordance with the statutes or decisions of the courts of the State in which the lands are located; and

(b) such lands beneath navigable waters within the boundaries of the respective States and such interests therein as are held by the United States in trust for the benefit of any tribe, band, or group of Indians or for individual Indians.

POWERS RETAINED BY THE UNITED STATES

SEC. 6. (a) The United States retains all its powers of regulation and control of said lands and navigable waters for the purposes of commerce, navigation, national defense, and international affairs, none of which includes any of the proprietary rights of ownership, or of use, development, and control of the lands and natural resources which are specifically recognized, confirmed, established, and vested in the respective States and others by section 3 of this Act.

(b) In time of war when necessary for national defense, and the Congress or the President shall so prescribe, the United States shall have the right of first refusal to purchase at the prevailing market price, all or any portion of the said natural resources, or to acquire and use any portion of said lands by proceeding in accordance with due process of law and paying just compensation therefor.

SEC. 7. Nothing in this Act shall be deemed to amend, modify, or repeal the Acts of July 26, 1866 (14 Stat. 251), July 9, 1870 (16 Stat. 217), March 3, 1877 (19 Stat. 377), and June 17, 1902 (32 Stat. 388), and Acts amendatory thereof or supplementary thereto.

TITLE III—CONTINENTAL SHELF OUTSIDE STATE BOUNDARIES

JURISDICTION OVER CONTINENTAL SHELF

SEC. 8. (a) It is hereby declared to be the policy of the United States that the natural resources of the subsoil and sea bed of the continental shelf appertain to the United States and are subject to its jurisdiction, control, and power of disposition as provided in this Act. Except to the extent that it is exercised in a manner inconsistent with applicable Federal laws, the police power of each coastal State may extend to that portion of the continental shelf which would be within the boundaries of such State if extended seaward to the outer margin of the continental shelf. The police power includes, but is not limited to, the power of taxation, conservation, and control of the manner of conducting geophysical explorations. This Act shall be construed in such manner that

the character as high seas of the waters above the continental shelf and the right to their free and unimpeded navigation shall not be affected.

(b) Oil and gas deposits in the continental shelf shall be subject to control and disposal only in accordance with the provisions of this Act and no rights in or claims to such deposits, whether based upon applications filed or other action taken heretofore or hereafter, shall be recognized except in accordance with the provisions of this Act.

PROVISIONS FOR LEASING OF CONTINENTAL SHELF

SEC. 9. (a) When requested by any responsible and qualified person interested in purchasing oil and gas leases on any area of the continental shelf not then under lease issued by the abutting State or the Federal Government, or when in the Secretary's opinion there is a demand for the purchase of such leases, the Secretary shall offer for sale, on competitive sealed bidding, oil and gas leases on such area. Subject to the other terms and provisions hereof, sales of leases should be made to the responsible and qualified bidder bidding the highest cash bonus per leasing unit. Notice of sale of oil and gas leases shall be published at least thirty days before the date of sale in accordance with rules and regulations promulgated by the Secretary, which publications shall contain (i) a description of the tracts into which the area to be leased has been subdivided by the Secretary for leasing purposes, such tracts being herein called "leasing units"; (ii) the minimum bonus per acre which will be accepted by the Secretary on each leasing unit; (iii) the amount of royalty as specified hereinafter in section 9 (d); (iv) the amount of rental per acre per annum on each leasing unit as specified hereinafter in section 9 (d); and (v) the time and place at which all bids shall be opened in public.

(b) The leasing units shall be in reasonably compact form of such area and dimensions as may be determined by the Secretary, but shall not be less than six hundred and forty acres nor more than two thousand five hundred and sixty acres if within the known geologic structure of a producing oil or gas field and shall not be less than two thousand five hundred and sixty acres nor more than seven thousand six hundred and eighty acres if not within any known geologic structure of a producing oil or gas field.

(c) Oil and gas leases sold under the provisions of this section shall be for the primary term of five years and shall continue so long thereafter as oil or gas is produced therefrom in paying quantities. Each lease shall contain provisions requiring the exercise of reasonable diligence, skill, and care in the operation of the lease, and requiring the lessee to conduct his operations thereon in accordance with sound and efficient oil-field practices to prevent waste of oil or gas discovered under said lease or the entrance of water through wells drilled by him to the oil or gas sands or oil and gas bearing strata or the injury or destruction of the oil and gas deposits.

(d) Each lease shall provide that, on or after the discovery of oil or gas, the lessee shall pay a royalty of not less than 12½ per centum in amount or value of the production saved, removed, or sold from the leasing unit, and, in any event, not less than $1 per acre per annum in lieu of rental for each lease year commencing after discovery. If after discovery of oil or gas the production thereof should cease from any cause, the lease shall not terminate if lessee commences additional drilling or reworking operations within ninety days thereafter or, if it be within the primary term, commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of ninety days from the date of cessation of production. All leases issued hereunder shall be conditioned upon the payment by the lessee of a rental of $1 per acre per annum for the second and every lease year thereafter during the primary term and in lieu of drilling operations on or production from the leasing unit, all such rentals to be payable on or before the beginning of each lease year.

(e) If, at the expiration of the primary term of any lease, oil or gas is not being produced in paying quantities on a leasing unit, but drilling operations are commenced not less than one hundred and eighty days prior to the end of the primary term and such drilling operations or other drilling operations have been and are being diligently prosecuted and the lessee has otherwise performed his obligations under the lease, the lease shall remain in force so long as drilling operations are prosecuted with reasonable diligence and in a good and workmanlike manner, and if they result in the production of oil or gas so long thereafter as oil or gas is produced therefrom in paying quantities.

(f) Should a lessee in a lease issued under the provisions of title III of this Act fail to comply with any of the provisions of this Act or of the lease, such lease may, upon proper showing, be canceled in an appropriate court proceeding because of such failure; but before the institution of such a court proceeding the Secretary shall allow the lessee twenty days in which to show cause in writing why the proceeding should not be instituted, and any submission made by the lessee during that period shall be given consideration by the Secretary in determining whether to recommend to the Attorney General that a court proceeding be instituted against the lessee. If a lease or any interest therein is owned or controlled, directly or indirectly, in violation of any of the provisions of this Act, the lease may be canceled, or the interest so owned or controlled may be forfeited or the person so owning or controlling the interest may be compelled to dispose of the interest in an appropriate court proceeding.

(g) The provisions of sections 17, 17 (b), 28, 30, 30 (a), 30 (b), 32, 36, and 39 of the Mineral Leasing Act, to the extent that such provisions are not inconsistent with the terms of this Act, are made applicable to lands leased or subject to lease by the Secretary under title III of this Act.

(h) Each lease shall contain such other terms and provisions consistent with the provisions of this Act as may be prescribed by the Secretary. The Secretary may delegate his authority under this Act to officers or employees of the Department of the Interior and may authorize subdelegation to the extent that he may deem proper.

(i) Citizens of another country, the laws, customs, or regulations of which deny similar or like privileges to citizens or corporations of this country, shall not directly or by stock ownership, stock holding, stock control, trusteeship, or otherwise, own or control any interest in any lease acquired under the provisions of this section. Any ownership or interest forbidden in this section which may be acquired by descent, will, judgment, or decree may be held for two years and not longer after its acquisition. No lands leased under the provisions of this section shall be subleased, trusteed, possessed, or controlled by any device or in any manner whatsoever so that they form a part of or are in any wise controlled by any combination in the form of an unlawful trust, with the consent of the lessee, or form the subject in whole or in part of any contract, agreement, understanding, or conspiracy, entered into by the lessee, to restrain trade or commerce in the production or sale of oil or gas or to control the price of oil or gas.

(j) Any lease obtained through the exercise of fraud or misrepresentation, or which is not performed in accordance with its terms or with this law, may by appropriate court action be invalidated.

EXCHANGE OF EXISTING STATE LEASES IN CONTINENTAL SHELF FOR FEDERAL LEASES

SEC. 10. (a) The Secretary is authorized and directed to issue a lease to any person in exchange for a lease covering lands in the continental shelf which (i) was issued by any State or its grantee prior to January 1, 1949, and which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, or (ii) was issued with the approval of the Secretary subsequent to January 1, 1949, and prior to the effective date of this Act and which on the effective date hereof was in force and effect in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease. Any lease issued pursuant to this section shall be for a term from the effective date hereof equal to the unexpired term of the old lease, or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, the same: *Provided, however*, That, if oil or gas was not being produced from such old lease on and before December 11, 1950, then any such new lease shall be for a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provisions of the old lease or any extensions, renewals, or replacements authorized therein or heretofore authorized by the laws of the State issuing or whose grantee issued such lease, shall cover the same natural resources and the same portion of the continental shelf as the old lease, shall provide for payment to the United States of the same rentals, royalties, and other payments as are provided for in the old lease, and shall include such other terms and provisions, consistent with the provisions of this Act, as may be prescribed by the Secretary. Operations under such old lease may be conducted as therein provided until the issuance of an exchange lease hereunder or until it is determined that no such ex-

change lease shall be issued. No lease which has been determined by appropriate court action to have been obtained by fraud or misrepresentation shall be accepted for exchange under this section.

(b) No such exchange lease shall be issued unless, (i) an application therefor, accompanied by a copy of the lease from the State or its political subdivision or grantee offered in exchange, is filed with the Secretary within six months from the effective date of this Act, or within such further period as provided in section 18 hereof, or as may be fixed from time to time by the Secretary; (ii) the applicant states in his application that the lease applied for shall be subject to the same overriding royalty obligations as the lease issued by the State or its political subdivision or grantee; (iii) the applicant pays to the United States all rentals, royalties, and other sums due to the lessor under the old lease which have or may become payable after December 11, 1950, and which have not been paid to the lessor under the old lease; (iv) the applicant furnishes such surety bond, if any, as the Secretary may require and complies with such other reasonable requirements as the Secretary may deem necessary to protect the interests of the United States; and (v) the applicant files with the Secretary a certificate issued by the State official or agency having jurisdiction showing that the old lease was in force and effect in accordance with its terms and provisions and the laws of the State issuing it on the applicable date provided for in paragraph (a) of this section; or, in the absence of such certificate, evidence in the form of affidavit, receipts, canceled checks, and other documents showing such facts.

(c) All rents, royalties, and other sums payable under any such lease after December 11, 1950, and before the issuance of an exchange lease as herein provided, may be paid to the United States, subject, however, to accounting to the State which issued such lease or under whose authority the same was issued, in accordance with the provisions of section 12 hereof.

(d) In the event any lease covers lands of the continental shelf as well as other lands, the provisions of this section shall apply to such lease insofar only as it covers lands of the continental shelf.

ACTIONS INVOLVING CONTINENTAL SHELF

SEC. 11. Any court proceeding involving the continental shelf may be instituted in the United States district court for the district in which the lessee, or the person owning or controlling the lease interest, may be found or for the district in which the leased property, or some part thereof, is located; or, if no part of the leased property is within any district, for the district nearest to the property involved.

DIVISION OF PROCEEDS FROM THE CONTINENTAL SHELF

SEC. 12. Each coastal State is hereby vested with the right to 37½ per centum of all moneys received by the United States, after the effective date of this Act, as bonus payments, rents, and royalties with respect to operations for oil, gas, or other minerals in lands in the continental shelft which would be within the boundaries of such State, if extended seaward to the outer margin of the continental shelf; and the Secretary of the Treasury within ninety days after the expiration of each fiscal year shall pay to each such State the moneys to which it is so entitled. All other moneys received by the United States from operations in the continental shelf, under the provisions of this Act, shall be paid into the Treasury of the United States and credited to miscellaneous receipts. If and whenever the United States shall take and receive in kind all or any part of the royalties referred to in this section, the value of such royalties so taken in kind shall be deemed to be the prevailing market price thereof at the time and place of production, and there shall be paid to the State entitled thereto, as provided in this section, 37½ percentum of the value of such royalties.

REFUNDS

SEC. 13. Where it appears to the satisfaction of the Secretary that any person has made a payment to the United States in connection with any lease under this Act in excess of the amount he was lawfully required to pay, such excess shall be repaid to such person or his legal representative, if a request for repayment of such excess is filed with the Secretary within two years after the issuance of the lease or the making of the payment. The Secretary shall certify the amounts

of all such repayments to the Secretary of the Treasury, who is authorized and directed to make such repayments out of any moneys not otherwise appropriated and to issue his warrant in settlement thereof.

WAIVER OF LIABILITY FOR PAST OPERATIONS

SEC. 14. (a) No State, or political subdivision or grantee thereof, shall be liable to or required to account to the United States in any way for entering upon, using, exploring for, developing, producing, or disposing of natural resources from lands covered by title II or title III of this Act prior to the effective date of this Act.

(b) No lessee under any lease of submerged lands covered by this Act and granted by any State or political subdivision or grantee thereof prior to the effective date of this Act shall be liable or required to account to the United States for the use of such lands or any natural resources produced, extracted, or removed under such lease or for the value thereof, nor shall any person who has purchased or otherwise acquired such lands or natural resources be liable to account to the United States therefor or for the value thereof.

(c) If it shall be determined by appropriate court action that fraud has been practiced in the obtaining of any lease referred to herein or in the operations thereunder, the waivers provided in this section shall not be effective.

POWERS RESERVED TO THE UNITED STATES

SEC. 15. The United States reserves and retains—

(a) in time of war or when necessary for national defense, and when so prescribed by the Congress or the President, the right (i) of first refusal to purchase at the prevailing market price all or any portion of the oil or gas that may be produced from the continental shelf; (ii) to terminate any lease issued or authorized pursuant to or validated by title III of this Act, in which event the United States shall become the owner of wells, fixtures, and improvements located on the area of such lease and shall be liable to the lessee for just compensation for such leaseholds, wells, fixtures, and improvements, to be determined as in the case of condemnation; (iii) to suspend operations under any lease issued or authorized pursuant to or validated by title III of this Act, in which event the United States shall be liable to the lessee for such compensation as is required to be paid under the Constitution of the United States; and payment of rentals, minimum royalty, and royalty prescribed by such lease shall likewise be suspended during any period of suspension of operations, and the term of any suspended lease shall be extended by adding thereto any suspension period;

(b) the right to designate by and through the Secretary of Defense, with the approval of the President, as restricted, those areas of the continental shelf needed for navigational purposes or for national defense; and so long as such designation remains in effect no exploration or operations may be conducted on any part of the surface of such area except with the concurrence of the Secretary of Defense; and if operations or production under any lease theretofore issued on lands within any such restricted area shall be suspended, any payment of rents, minimum royalty, and royalty prescribed by such lease likewise shall be suspended during such period of suspension of operations and production, and the term of such lease shall be extended by adding thereto any such suspension period, and the United States shall be liable to the lessee for such compensation as is required to be paid under the Constitution of the United States;

(c) the ownership of and the right to extract helium from all gas produced from the continental shelf, subject to any lease issued pursuant to or validated by this Act under such general rules and regulations as shall be prescribed by the Secretary, but in the extraction of helium from such gas it shall be so extracted as to cause no substantial delay in the delivery of gas produced to the purchaser of such gas.

GEOLOGICAL AND GEOPHYSICAL EXPLORATIONS

SEC. 16. The right of any person, subject to applicable provisions of law, and of any agency of the United States to conduct geological and geophysical explorations in the continental shelf, which do not interfere with or endanger actual operations under any lease issued pursuant to this Act, is hereby recognized,

RIGHTS OF STATES NOT PREJUDICED

SEC. 17. Nothing contained in this Act shall operate to the prejudice of any State or of the United States in the determination by appropriate court action of any claim or claims of ownership or right of management, use, and disposition of the lands, minerals, or natural resources therein or thereunder within the continental shelf as these claims or rights may have existed prior to the passage of this Act. Any State which is found by appropriate court action to have owned or possessed, prior to the passage of this Act, the rights of management, use, or disposition of the lands, minerals, or other natural resources within any part of the continental shelf shall not by this Act be deprived of any such rights and powers.

INTERPLEADER AND INTERIM ARRANGEMENTS

SEC. 18 (a) Notwithstanding the other provisions of this Act, if any lessee under any lease of submerged lands granted by any State, its political subdivisions, or grantees, prior to the effective date of this Act, shall file with the Secretary a certificate executed by such lessee under oath and stating that doubt exists (i) as to whether an area covered by such lease lies within the continental shelf, or (ii) as to whom the rents, royalties, or other sums payable under such lease are lawfully payable, or (iii) as to the validity of the claims of the State which issued, or whose political subdivision or grantee issued, such lease to the area covered by the lease and that such claims have not been determined by a final judgment of a court of competent jurisdiction—

(1) the lessee may interplead the United States and, with their consent, the State or States concerned, in an action filed in the United States district court having jurisdiction of any part of the area, and, in the event of State consent to be interpleaded, deposit with the clerk of that court all rents, royalties, and other sums payable under such lease after the filing of such certificate, and such deposit shall be full performance of the lessee's obligation under such lease to make such payments; or

(2) the lessee may continue to pay all rents, royalties, and other sums payable under such lease to the State, its political subdivisions, or grantees, as in the lease provided, until it is determined by final judgment of a court of competent jurisdiction that such rents, royalties, and other sums should be paid otherwise, and thereafter such rents, royalties, and other sums shall be paid by said lessee in accordance with the determination of such final judgment. In the event it shall be determined by such final judgment that the United States is entitled to any moneys theretofore paid to any State or political subdivision or grantee thereof, such State, its political subdivision, or grantee, as the case may be, shall promptly account to the United States therefor; or

(3) the lessee of any such lease may file application for an exchange lease under section 10 hereof at any time prior to the expiration of six months after it is determined by final judgment of a court of competent jurisdiction that the claims of the State which issued, or whose political subdivision or grantee issued, such lease to the area covered by the lease are invalid as against the United States and that the lands covered by such lease are within the continental shelf.

(b) If any area of the continental shelf or other lands covered by this Act included in any lease issued by a State or its political subdivision or grantee is involved in litigation between the United States and such State, its political subdivision, or grantee, the lessee in such lease shall have the right to intervene in such action and deposit with the clerk of the court in which such case is pending any rents, royalties, and other sums payable under the lease subsequent to the effective date of this Act, and such deposit shall be full discharge and acquittance of the lessee for any payment so made.

[H. R. 381, 83d Cong., 1st sess.]

A BILL To confirm and establish in the State of Texas the title to certain submerged coastal lands of such State and to the natural resources within such lands and the waters above such lands, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Congress hereby finds (1) that the State of Texas, during the period that it was an independent nation, had

open, adverse, and exclusive possession and exercised jurisdiction and control over the land, minerals, and other natural resources, underlying that part of the Gulf of Mexico within her boundaries as established by her First Congress and acquiesced in by the United States and other major nations, (2) that when Texas was annexed to the United States, the claim and rights of Texas to such submerged coastal property was recognized and preserved in Texas, (3) that Texas continued, as a State, to hold open, adverse, and exclusive possession, jurisdiction, and control of such property for many years without dispute, challenge, or objection by the United States, (4) that the United States has recognized and acquiesced in this claim and these rights for many years, and (5) that the Supreme Court of the United States has recently declared that the United States possesses paramount rights in such property.

(b) It is hereby declared the policy of this Act through the exercise by Congress of its power to dispose of and make all needful rules and regulations respecting the territory and other property belonging to the United States, to clarify the status of such submerged coastal property by confirming and establishing the title of the State of Texas to the land, minerals, and other things underlying that part of the Gulf of Mexico within the boundaries of the Republic of Texas as established by her First Congress.

SEC. 2. As used in this Act—

(1) The term "submerged coastal lands of Texas" means the lands, underlying the Gulf of Mexico, lying seaward of the ordinary low-water mark on the coast of the State of Texas and outside the inland waters, extending seaward to the boundary of Texas as it existed at the time such State became a member of the Union ("beginning at the mouth of the Sabine river, and running west along the Gulf of Mexico three leagues from land, to the mouth of the Rio Grande", 1 Laws of Republic of Texas 133), and bounded on the east by the eastern boundary of Texas and on the southwest by the boundary between the United States and Mexico.

(2) The terms "grantees" and "lessees" include, without limiting the generality thereof, all political subdivisions, municipalities, public and private corporations, and other persons holding grants or leases from the State of Texas, or its predecessor sovereign, to any of the submerged coastal lands of Texas if such grants or leases were issued in accordance with the constitution, statutes, and decisions of the courts of such State or of its predecessor sovereign. Nothing in this Act confers upon said grantees or lessees any greater rights or interests other than are described in this Act and in their respective grants from the State, or its predecessor sovereign.

(3) The term "natural resources" shall include, without limiting the generality thereof, fish, shrimp, oysters, clams, crabs, lobsters, sponges, kelp, and other marine animal and plant life.

(4) The term "person" includes any citizen of the United States, an association of such citizens, a State, a political subdivision of a State, or a private, public, or municipal corporation organized under the laws of the United States or of any State.

SEC. 3. (a) It is hereby determined and declared that title to and ownership of the submerged coastal lands of Texas, and the natural resources within such lands and within the waters above such lands, and the right and power to control, develop, and use the said natural resources all in accordance with applicable law of such State be, and they are hereby, subject to the provisions of this Act, recognized, confirmed, established, and vested in the State of Texas or the persons who were on June 5, 1950, entitled thereto under the property law of such State, and the respective grantees, lessees, or successors in interest thereof; and the United States hereby releases and relinquishes unto such State and persons aforesaid all right, title, and interest of the United States, if any it has, in and to all said lands, moneys, improvements, and natural resources, and releases and relinquishes all claims of the United States, if any it has, arising out of any operations of such State or persons pursuant to State authority upon or within said lands and waters.

(b) The rights, powers, and titles hereby recognized, confirmed, established, and vested in the State of Texas and its grantees are subject to each lease executed by such State, or its grantee, which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of such State, and such rights, powers, and titles are further subject to the rights herein now granted to any person holding any such lease to continue to maintain the lease, and to conduct operations thereunder, in accordance with its provisions, for (1) the full term thereof, and any extensions, renewals, or replacements author-

ized therein, or heretofore authorized by the laws of such State; or (2) if oil or gas was not being produced from such lease on and before December 11, 1950, a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provisions of such lease or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of such State: *Provided*, That all rents, royalties, and other sums payable under such lease and the laws of such State between June 5, 1950, and the effective date hereof, which have not been paid to the State or its grantee issuing it or to the Secretary of the Interior of the United States, shall be paid to the State or its grantee issuing such lease within ninety days from the effective date of this Act.

SEC. 4. (a) Nothing in this Act shall affect the use, development, improvement, or control by or under the constitutional authority of the United States of said lands and waters for the purposes of navigation or be construed as the release or relinquishment of any rights of the United States arising under the constitutional authority of Congress to regulate or improve navigation.

(b) The United States retains all its powers of regulation and control of said lands and navigable waters for the purposes of commerce, navigation, national defense, and international affairs, none of which includes any of the proprietary rights of ownership, or of use, development, and control of the lands and natural resources which are specifically recognized, confirmed, established, and vested in the State of Texas and others by this Act.

(c) In time of war when necessary for national defense, and the Congress or the President shall so prescribe, the United States shall have the right of first refusal to purchase at the prevailing market price, all or any portion of the said natural resources, or to acquire and use any portion of said lands by proceeding in accordance with due process of law and paying just compensation therefor.

(d) There is excepted from the operation of section 2 all specifically described tracts or parcels of land and resources therein or improvements thereon title to which has been lawfully and expressly acquired by the United States from the State of Texas or from any person in whom title had vested under the decisions of the courts of such State, or their respective grantees, or successors in interest, by cession, grant, quitclaim, or condemnation, or from any other owner or owners thereof by conveyance or by condemnation, provided such owner or owners had lawfully acquired the title to such lands and resources in accordance with the statutes or decisions of the courts of such State.

SEC. 5. Nothing in this Act shall be deemed to affect any issues between the United States and the State of Texas relating to the ownership or control of that portion of the subsoil and sea bed of the Continenal Shelf lying seaward and outside of the submerged coastal lands of Texas, described in section 2 of this Act.

[H. R. 440, 83d Cong., 1st sess.]

A BILL To confirm and establish the titles of the States to lands beneath navigable waters within State boundaries and to the natural resources within such lands and waters, to provide for the use and control of said lands and resources, and to provide for the use, control, exploration, development, and conservation of certain resources of the continental shelf lying outside of State boundaries

Be it enacted by the Senate and House of Representatives of the United States of American in Congress assembled, That this Act may be cited as the "Submerged Lands Act".

TITLE I

DEFINITION

SEC. 2. When used in this Act—

(a) the term "lands beneath navigable waters" includes (1) all lands within the boundaries of each of the respective States which were covered by waters navigable under the laws of the United States at the time such State became a member of the Union, and all lands permanently or periodically covered by tidal waters up to but not above the line of mean high tide and seaward to a line three geographical miles distant from the coast line of each such State and to the boundary line of each such State where in any case such boundary as it existed at the time such State became a member of the Union, or as heretofore or hereafter approved by Congress, extends seaward (or into the Great Lakes

or Gulf of Mexico) beyond three geographical miles, and (2) all filled in, made, or reclaimed lands which formerly were lands beneath navigable waters, as herein defined; the term "boundaries" includes the seaward boundaries of a State or its boundaries in the Gulf of Mexico or any of the Great Lakes as they existed at the time such State became a member of the Union, or as heretofore or hereafter approved by the Congress, or as extended or confirmed pursuant to section 4 hereof;

(b) The term "coast line" means the line of ordinary low water along that portion of the coast which is in direct contact with the open sea and the line marking the seaward limit of inland waters, which include all estuaries, ports, harbors, bays, channels, straits, historic bays, and sounds, and all other bodies of water which join the open sea;

(c) The terms "grantees" and "lessees" include (without limiting the generality thereof) all political subdivisions, municipalities, public and private corporations, and other persons holding grants or leases from a State, or its predecessor sovereign, to lands beneath navigable waters if such grants or leases were issued in accordance with the constitution, statutes, and decisions of the courts of the State in which such lands are situated, or of its predecessor sovereign: *Provided, however*, That nothing herein shall be construed as conferring upon said grantees or lessees any greater rights or interests other than are described herein and in their respective grants from the State, or its predecessor sovereign;

(d) The term "natural resources" shall include, without limiting the generality thereof, fish, shrimp, oysters, clams, crabs, lobsters, sponges, kelp, and other marine animal and plant life but shall not include water power or the use of water for the production of power at any site where the United States now owns the water power;

(e) The term "lands beneath navigable waters" shall not include the beds of streams in lands now or heretofore constituting a part of the public lands of the United States if such streams were not meandered in connection with the public survey of such lands under the laws of the United States;

(f) The term "continental shelf" means all submerged lands (1) which lie outside and seaward of lands beneath navigable waters as defined hereinabove in section 2 (a), and (2) of which the subsoil and natural resources appertain to the United States and are subject to its jurisdiction and control;

(g) The term "Secretary" means the Secretary of the Interior;

(h) The term "State" means any State of the Union;

(i) The term "coastal States" shall mean those States, any portion of which borders upon the Atlantic Ocean, the Gulf of Mexico, or the Pacific Ocean;

(j) The term "person" includes any citizen of the United States, an association of such citizens, a State, a political subdivision of a State, or a private, public, or municipal corporation organized under the laws of the United States or of any State;

(k) The term "lease" whenever used with reference to action by a State or its political subdivision or grantee prior to January 1, 1949, shall be regarded as including any form of authorization for the use, development, or production of lands beneath navigable waters and the natural resources therein and thereunder, and the term "lessee" whenever used in such connection, shall be regarded as including any person having the right to develop or produce natural resources and any person having the right to use or develop lands beneath navigable waters under any such form of authorization;

(l) The term "Mineral Leasing Act" shall mean the Act of February 25, 1920 (41 Stat. 437; 30 U. S. C., sec. 181 and the following), and all Acts heretofore enacted which are amendatory thereof or supplementary thereto.

TITLE II

LANDS BENEATH NAVIGABLE WATERS WITHIN STATE BOUNDARIES

SEC. 3. RIGHTS OF THE STATES.—It is hereby determined and declared to be in the public interest that title to and ownership of the lands beneath navigable waters within the boundaries of the respective States, and the natural resources within such lands and waters, and the right and power to control, develop, and use the said natural resources all in accordance with applicable State law be, and they are hereby, subject to the provisions hereof, recognized, confirmed, established, and vested in the respective States or the persons who were on June 5, 1950, entitled thereto under the property law of the respective States in which the land is located, and the respective grantees, lessees, or successors in

interest thereof; and the United States hereby releases and relinquishes unto said States and persons aforesaid all right, title, and interest of the United States, if any it has, in and to all said lands, moneys, improvements, and natural resources, and releases and relinquishes all claims of the United States, if any it has, arising out of any operations of said States or persons pursuant to State authority upon or within said lands and navigable waters. The rights, powers, and titles hereby recognized, confirmed, established, and vested in the respective States and their grantees are subject to each lease executed by a State, or its grantee, which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, and such rights, powers, and titles are further subject to the rights herein now granted to any person holding any such lease to continue to maintain the lease, and to conduct operations thereunder, in accordance with its provisions, for the full term thereof, and any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued such lease: *Provided, however*, That, if oil or gas was not being produced from such lease on and before December 11, 1950, then for a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provisions of such lease or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, such lease: *Provided, however*, That all rents, royalties, and other sums payable under such lease and the laws of the State issuing or whose grantee issued such lease between June 5, 1950, and the effective date hereof, which have not been paid to the State or its grantee issuing it or to the Secretary of the Interior of the United States, shall be paid to the State or its grantee issuing such lease within ninety days from the effective date hereof: *Provided, however*, That nothing in this Act shall affect the use, development, improvement, or control by or under the constitutional authority of the United States of said lands and waters for the purposes of navigation or flood control or the production of power at any site where the United States now owns or may hereafter acquire the water power or be construed as the release or relinquishment of any rights of the United States arising under the constitutional authority of Congress to regulate or improve navigation or to provide for flood control or the production of power at any site where the United States now owns the water power.

SEC. 4. SEAWARD BOUNDARIES.—Any State which has not already done so may extend its seaward boundaries to a line three geographical miles distant from its coast line, or in the case of the Great Lakes, to the international boundary of the United States. Any claim heretofore or hereafter asserted either by constitutional provision, statute, or otherwise, indicating the intent of a State so to extend its boundaries is hereby approved and confirmed, without prejudice to its claim, if any it has, that its boundaries extend beyond that line. Nothing in this section is to be construed as questioning or in any manner prejudicing the existence of any State's seaward boundary beyond three geographical miles if it was so provided by its Constitution or laws prior to or at the time such State became a member of the Union, or if it has been heretofor or is hereafter approved by Congress.

SEC. 5. EXCEPTIONS FROM OPERATION OF SECTION 3 OF THIS ACT.—There is excepted from the operation of section 3 of this Act—

(a) all specifically described tracts or parcels of land and resources therein or improvements thereon title to which has been lawfully and expressly acquired by the United States from any State or from any person in whom title had vested under the decisions of the courts of such State, or their respective grantees, or successors in interest, by cession, grant, quitclaim, or condemnation, or from any other owner or owners thereof by conveyance or by condemnation, provided such owner or owners had lawfully acquired the title to such lands and resources in accordance with the statutes or decisions of the courts of the State in which the lands are located; and

(b) such lands beneath navigable waters within the boundaries of the respective States and such interests therein as are held by the United States in trust for the benefit of any tribe, band, or group of Indians or for individual Indians.

SEC. 6. POWERS RETAINED BY THE UNITED STATES.—(a) The United States retains all its powers of regulation and control of said lands and navigable waters for the purposes of commerce, navigation, national defense, and international affairs, none of which includes any of the proprietary rights of owner-

ship, or of use, development, and control of the lands and natural resources which are specifically recognized, confirmed, established, and vested in the respective States and others by section 3 of this Act.

(b) In time of war when necessary for national defense, and the Congress or the President shall so prescribe, the United States shall have the right of first refusal to purchase at the prevailing market price, all or any portion of the said natural resources, or to acquire and use any portion of said lands by proceeding in accordance with due process of law and paying just compensation therefor.

SEC. 7. Nothing in this Act shall be deemed to amend, modify, or repeal the Acts of July 26, 1866 (14 Stat. 251), July 9, 1870 (16 Stat. 217), March 3, 1877 (19 Stat. 377), and June 17, 1902 (32 Stat. 388), and Acts amendatory thereof or supplementary thereto.

TITLE III

CONTINENTAL SHELF OUTSIDE STATE BOUNDARIES

SEC. 8. JURISDICTION OVER CONTINENTAL SHELF.—(a) It is hereby declared to be the policy of the United States that the natural resources of the subsoil and sea bed of the continental shelf appertain to the United States and are subject to its jurisdiction, control, and power of disposition as provided in this Act. Except to the extent that it is exercised in a manner inconsistent with applicable Federal laws, the police power of each coastal State may extend to that portion of the continental shelf which would be within the boundaries of such State if extended seaward to the outer margin of the continental shelf. The police power includes, but is not limited to, the power of taxation, conservation, and control of the manner of conducting geophysical explorations. This Act shall be construed in such manner that the character as high seas of the waters above the continental shelf and the right to their free and unimpeded navigation shall not be affected.

(b) Oil and gas deposits in the continental shelf shall be subject to control and disposal only in accordance with the provisions of this Act and no rights in or claims to such deposits, whether based upon applications filed or other action taken heretofore or hereafter, shall be recognized except in accordance with the provisions of this Act.

SEC. 9. PROVISIONS FOR LEASING OF CONTINENTAL SHELF.—(a) When requested by any responsible and qualified person interested in purchasing oil and gas leases on any area of the continental shelf not then under lease issued by the abutting State or the Federal Government, or when in the Secretary's opinion there is a demand for the purchase of such leases, the Secretary shall offer for sale, on competitive sealed bidding, oil and gas leases on such area. Subject to the other terms and provisions hereof, sales of leases shall be made to the responsible and qualified bidder bidding the highest cash bonus per leasing unit. Notice of sale of oil and gas leases shall be published at least thirty days before the date of sale in accordance with rules and regulations promulgated by the Secretary, which publication shall contain (i) a description of the tracts into which the area to be leased has been subdivided by the Secretary for leasing purposes, such tracts being herein called "leasing units"; (ii) the minimum bonus per acre which will be accepted by the Secretary on each leasing unit; (iii) the amount of royalty as specified hereinafter in section 9 (d); (iv) the amount of rental per acre per annum on each leasing unit as specified hereinafter in section 9 (d); and (v) the time and place at which all bids shall be opened in public.

(b) The leasing units shall be in reasonably compact form of such area and dimensions as may be determined by the Secretary, but shall not be less than six hundred and forty acres nor more than two thousand five hundred and sixty acres if within the known geologic structure of a producing oil or gas field and shall not be less than two thousand five hundred and sixty acres nor more than seven thousand six hundred and eighty acres if not within any known geologic structure of a producing oil or gas field.

(c) Oil and gas leases sold under the provisions of this section shall be for the primary term of five years and shall continue so long thereafter as oil or gas is produced therefrom in paying quantities. Each lease shall contain provisions requiring the exercise of reasonable diligence, skill, and care in the operation of the lease, and requiring the lessee to conduct his operations thereon in accordance with sound and efficient oil-field practices to prevent waste of oil or gas discovered under said lease or the entrance of water through wells drilled

by him to the oil or gas sands or oil and gas bearing strata or the injury or destruction of the oil and gas deposits.

(d) Each lease shall provide that, on or after the discovery of oil or gas, the lessee shall pay a royalty of not less than 12½ per centum in amount or value of the production saved, removed, or sold from the leasing unit and, in any event, not less than $1 per acre per annum in lieu of rental for each lease year commencing after discovery. If after discovery of oil or gas the production thereof should cease from any cause, the lease shall not terminate if lessee commences additional drilling or reworking operations within ninety days thereafter or, if it be within the primary term, commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of ninety days from date of cessation of production. All leases issued hereunder shall be conditioned upon the payment by the lessee of a rental of $1 per acre per annum for the second and every lease year thereafter during the primary term and in lieu of drilling operations on or production from the leasing unit, all such rentals to be payable on or before the beginning of each lease year.

(e) If, at the expiration of the primary term of any lease, oil or gas is not being produced in paying quantities on a leasing unit, but drilling operations are commenced not less than one hundred eighty days prior to the end of the primary term and such drilling operations or other drilling operations have been and are being diligently prosecuted and the lessee has otherwise performed his obligations under the lease, the lease shall remain in force so long as drilling operations are prosecuted with reasonable diligence and in a good and workmanlike manner, and if they result in the production of oil or gas so long thereafter as oil or gas is produced therefrom in paying quantities.

(f) Should a lessee in a lease issued under the provisions of title III of this Act fail to comply with any of the provisions of this Act or of the lease, such lease may, upon proper showing be canceled in an appropriate court proceeding because of such failure; but before the institution of such a court proceeding the Secretary shall allow the lessee twenty days in which to show cause in writing why the proceeding should not be instituted, and any submission made by the lessee during that period shall be given consideration by the Secretary in determining whether to recommend to the Attorney General that a court proceeding be instituted against the lessee. If a lease or any interest therein is owned or controlled, directly or indirectly, in violation of any of the provisions of this Act, the lease may be canceled, or the interest so owned or controlled may be forfeited or the person so owning or controlling the interest may be compelled to dispose of the interest in an appropriate court proceeding.

(g) The provisions of sections 17, 17 (h), 28, 30, 30 (a), 30 (h), 32, 36, and 39 of the Mineral Leasing Act to the extent that such provisions are not inconsistent with the terms of this Act, are made applicable to lands leased or subject to lease by the Secretary under title III of this Act.

(h) Each lease shall contain such other terms and provisions consistent with the provisions of this Act as may be prescribed by the Secretary. The Secretary may delegate his authority under this Act to officers or employees of the Department of the Interior and may authorize subdelegation to the extent that he may deem proper.

(i) Citizens of another country, the laws, customs, or regulations of which deny similar or like privileges to citizens or corporations of this country, shall not directly or by stock ownership, stock holding, stock control, trusteeship, or otherwise, own or control any interest in any lease acquired under the provisions of this section. Any ownership or interest forbidden in this section which may be acquired by descent, will, judgment, or decree may be held for two years and not longer after its acquisition. No lands leased under the provisions of this section shall be subleased, trusteed, possessed, or controlled by any device or in any manner whatsoever so that they form a part of or are in anywise controlled by any combination in the form of an unlawful trust, with the consent of the lessee, or form the subject in whole or in part of any contract, agreement, understanding, or conspiracy, entered into by the lessee, to restrain trade or commerce in the production or sale of oil or gas or to control the price of oil or gas.

(j) Any lease obtained through the exercise of fraud or misrepresentation, or which is not performed in accordance with its terms or with this law, may by appropriate court action be invalidated.

SEC. 10. EXCHANGE OF EXISTING STATE LEASES IN CONTINENTAL SHELF FOR FEDERAL LEASES.—(a) The Secretary is authorized and directed to issue a lease to any person in exchange for a lease covering lands in the continental shelf

which (i) was issued by any State or its grantee prior to January 1, 1949, and which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, or (ii) was issued with the approval of the Secretary subsequent to January 1, 1949, and prior to the effective date of this Act and which on the effective date hereof was in force and effect in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease. Any lease issued pursuant to this section shall be for a term from the effective date hereof equal to the unexpired term of the old lease, or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, the same: *Provided, however*, That, if oil or gas was not being produced from such old lease on and before December 11, 1950, then any such new lease shall be for a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provisions of the old lease or any extensions, renewals or replacements authorized therein or heretofore authorized by the laws of the State issuing or whose grantee issued such lease, shall cover the same natural resources and the same portion of the continental shelf as the old lease, shall provide for payment to the United States of the same rentals, royalties, and other payments as are provided for in the old lease, and shall include such other terms and provisions, consistent with the provisions of this Act, as may be prescribed by the Secretary. Operations under such old lease may be conducted as therein provided until the issuance of an exchange lease hereunder or until it is determined that no such exchange lease shall be issued. No lease which has been determined by appropriate court action to have been obtained by fraud or misrepresentation shall be accepted for exchange under this section.

(b) No such exchange lease shall be issued unless, (i) an application therefor, accompanied by a copy of the lease from the State or its political subdivision or grantee offered in exchange, is filed with the Secretary within six months from the effective date of this Act, or within such further period as provided in section 18 hereof, or as may be fixed from time to time by the Secretary; (ii) the applicant states in his application that the lease applied for shall be subject to the same overriding royalty obligations as the lease issued by the State or its political subdivision or grantee; (iii) the applicant pays to the United States all rentals, royalties, and other sums due to the lessor under the old lease which have or may become payable after December 11, 1950, and which have not been paid to the lessor under the old lease; (iv) the applicant furnishes such surety bond, if any, as the Secretary may require and complies with such others reasonable requirements as the Secretary may deem necessary to protect the interests of the United States; and (v) the applicant files with the Secretary a certificate issued by the State official or agency having jurisdiction showing that the old lease was in force and effect in accordance with its terms and provisions and the laws of the State issuing it on the applicable date provided for in paragraph (a) of this section; or, in the absence of such certificate, evidence in the form of affidavit, receipts, canceled checks, and other documents showing such facts.

(c) All rents, royalties, and other sums payable under any such lease after December 11, 1950, and before the issuance of an exchange lease as herein provided, may be paid to the United States, subject, however, to accounting to the State which issued such lease or under whose authority the same was issued, in accordance with the provisions of section 12 hereof.

(d) In the event any lease covers lands of the continental shelf as well as other lands, the provisions of this section shall apply to such lease insofar only as it covers lands of the continental shelf.

SEC. 11. ACTIONS INVOLVING CONTINENTAL SHELF.—Any court proceeding involving the continental shelf may be instituted in the United States district court for the district in which the lessee, or the person owning or controlling the lease interest, may be found or for the district in which the leased property, or some part thereof, is located; or, if no part of the leased property is within any district, for the district nearest to the property involved.

SEC. 12. DIVISION OF PROCEEDS FROM THE CONTINENTAL SHELF.—Each coastal State is hereby vested with the right to 37½ per centum of all moneys received by the United States, after the effective date of this Act, as bonus payments, rents, and royalties with respect to operations for oil, gas, or other minerals in lands in the continental shelf which would be within the boundaries of such State, if extended seaward to the outer margin of the continental shelf; and

the Secretary of the Treasury within ninety days after the expiration of each fiscal year shall pay to each such State the moneys to which it is so entitled. All other moneys received by the United States from operations in the continental shelf, under the provisions of this Act, shall be paid into the Treasury of the United States and credited to miscellaneous receipts. If and whenever the United States shall take and receive in kind all or any part of the royalties referred to in this section, the value of such royalties so taken in kind shall be deemed to be the prevailing market price thereof at the time and place of production, and there shall be paid to the State entitled thereto, as provided in this section, 37½ per centum of the value of such royalties.

SEC. 13. REFUNDS.—Where it appears to the satisfaction of the Secretary that any person has made a payment to the United States in connection with any lease under this Act in excess of the amount he was lawfully required to pay, such excess shall be repaid to such person or his legal representative, if a request for repayment of such excess is filed with the Secretary within two years after the issuance of the lease or the making of the payment. The Secretary shall certify the amounts of all such payments to the Secretary of the Treasury, who is authorized and directed to make such repayments out of any moneys not otherwise appropriated and to issue his warrant in settlement thereof.

SEC. 14. WAIVER OF LIABILITY FOR PAST OPERATIONS.—(a) No State, or political subdivision or grantee thereof, shall be liable to or required to account to the United States in any way for entering upon, using, exploring for, developing, producing, or disposing of natural resources from lands covered by title II or title III of this Act prior to the effective date of this Act.

(b) No lessee under any lease of submerged lands covered by this Act and granted by any State or political subdivision or grantee thereof prior to the effective date of this Act shall be liable or required to account to the United States for the use of such lands or any natural resources produced, extracted, or removed under such lease or for the value thereof, nor shall any person who has purchased or otherwise acquired such lands or natural resources be liable to account to the United States therefor or for the value thereof.

(c) If it shall be determined by appropriate court action that fraud has been practiced in the obtaining of any lease referred to herein or in the operations thereunder, the waivers provided in this section shall not be effective.

SEC. 15. POWERS RESERVED TO THE UNITED STATES.—The United States reserves and retains—

(a) in time of war or when necessary for national defense, and when so prescribed by the Congress or the President, the right (i) of first refusal to purchase at the prevailing market price all or any portion of the oil or gas that may be produced from the continental shelf; (ii) to terminate any lease issued or authorized pursuant to or validated by title III of this Act, in which event the United States shall become the owner of wells, fixtures, and improvements located on the area of such lease and shall be liable to the lessee for just compensation for such leaseholds, wells, fixtures, and improvements, to be determined as in the case of condemnation; (iii) to suspend operations under any lease issued or authorized pursuant to or validated by title III of this Act, in which event the United States shall be liable to the lessee for such compensation as is required to be paid under the Constitution of the United States; and payment of rentals, minimum royalty, and royalty prescribed by such lease shall likewise be suspended during any period or suspension of operations, and the term of any suspended lease shall be extended by adding thereto any suspension period.

(b) the right to designate by and through the Secretary of Defense, with the approval of the President, as restricted, those areas of the continental shelf needed for navigational purposes or for national defense; and so long as such designation remains in effect no exploration or operations may be conducted on any part of the surface of such area except with the concurrence of the Secretary of Defense; and if operations or production under any lease theretofore issued on lands within any such restricted area shall be suspended, any payment of rents, minimum royalty, and royalty prescribed by such lease likewise shall be suspended during such period of suspension of operation and production, and the term of such lease shall be extended by adding thereto any such suspension period, and the United States shall be liable to the lessee for such compensation as is required to be paid under the Constitution of the United States;

(c) the ownership of and the right to extract helium from all gas produced from the continental shelf, subject to any lease issued pursuant to or validated by this Act under such general rules and regulations as shall be prescribed by the Secretary, but in the extraction of helium from such gas it shall be so extracted as to cause no substantial delay in the delivery of gas produced to the purchaser of such gas.

SEC. 16. GEOLOGICAL AND GEOPHYSICAL EXPLORATIONS.—The right of any person, subject to applicable provisions of law, and of any agency of the United States to conduct geological and geophysical explorations in the continental shelf, which do not interfere with or endanger actual operations under any lease issued pursuant to this Act is hereby recognized.

SEC. 17. RIGHTS OF STATES NOT PREJUDICED.—Nothing contained in this Act shall operate to the prejudice of any State or of the United States in the determination by appropriate court action of any claim or claims of ownership or right of management, use, and disposition of the lands, minerals, or natural resources therein or thereunder within the continental shelf as these claims or rights may have existed prior to the passage of this Act. Any State which is found by appropriate court action to have owned or possessed, prior to the passage of this Act, the rights of management, use, or disposition of the lands, minerals, or other natural resources within any part of the continental shelf shall not by this Act be deprived of any such rights and powers.

SEC. 18. INTERPLEADER AND INTERIM ARRANGEMENTS.—(a) Notwithstanding the other provisions of this Act, if any lessee under any lease of submerged lands granted by any State, its political subdivisions, or grantees, prior to the effective date of this Act, shall file with the Secretary a certificate executed by such lessee under oath and stating that doubt exists (i) as to whether an area covered by such lease lies within the continental shelf, or (ii) as to whom the rents, royalties, or other sums payable under such lease are lawfully payable, or (iii) as to the validity of the claims of the State which issued, or whose political subdivision or grantee issued, such lease to the area covered by the lease and that such claims have not been determined by a final judgment of a court of competent jurisdiction—

(1) the lessee may interplead the United States and, with their consent, the State or States concerned, in an action filed in the United States district court having jurisdiction of any part of the area, and, in the event of State consent to be interpleaded, deposit with the clerk of that court all rents, royalties, and other sums payable under such lease after the filing of such certificate, and such deposit shall be full performance of the lessee's obligation under such lease to make such payments; or

(2) the lessee may continue to pay all rents, royalties, and other sums payable under such lease to the State, its political subdivisions, or grantees, as in the lease provided, until it is determined by final judgment of a court of competent jurisdiction that such rents, royalties, and other sums should be paid otherwise, and thereafter such rents, royalties, and other sums shall be paid by said lessee in accordance with the determination of such final judgment. In the event it shall be determined by such final judgment that the United States is entitled to any moneys theretofore paid to any State or political subdivision or grantee thereof, such State, its political subdivision, or grantee, as the case may be, shall promptly account to the United States therefor; or

(3) the lessee of any such lease may file application for an exchange lease under section 10 hereof at any time prior to the expiration of six months after it is determined by final judgment of a court of competent jurisdiction that the claims of the State which issued, or whose political subdivision or grantee issued, such lease to the area covered by the lease are invalid as against the United States and that the lands covered by such lease are within the continental shelf.

(b) If any area of the continental shelf or other lands covered by this Act included in any lease issued by a State or its political subdivision or grantee is involved in litigation between the United States and such State, its political subdivision, or grantee, the lessee in such lease shall have the right to intervene in such action and deposit with the clerk of the court in which such case is pending any rents, royalties, and other sums payable under the lease subsequent to the effective date of this Act, and such deposit shall be full discharge and acquittance of the lessee for any payment so made.

[H. R. 629, 83d Cong., 1st sess.]

A BILL To confirm and establish the titles of the States to lands beneath navigable waters within State boundaries and to the natural resources within such lands and waters, to provide for the use and control of said lands and resources, and to provide for the use, control, exploration, development, and conservation of certain resources of the continental shelf lying outside of State boundaries

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Submerged Lands Act".

TITLE I

DEFINITION

SEC. 2. When used in this Act—

(a) The term "lands beneath navigable waters" includes (1) all lands within the boundaries of each of the respective States which were covered by waters navigable under the laws of the United States at the time such State became a member of the Union, and all lands permanently or periodically covered by tidal waters up to but not above the line of mean high tide and seaward to a line three geographical miles distant from the coast line of each such State and to the boundary line of each such State where in any case such boundary as it existed at the time such State became a member of the Union, or as heretofore or hereafter approved by Congress, extends seaward (or into the Great Lakes or Gulf of Mexico) beyond three geographical miles, and (2) all filled in, made, or reclaimed lands which formerly were lands beneath navigable waters, as herein defined; the term "boundaries" includes the seaward boundaries of a State or its boundaries in the Gulf of Mexico or any of the Great Lakes as they existed at the time such State became a member of the Union, or as heretofore or hereafter approved by the Congress, or as extended or confirmed pursuant to section 4 hereof;

(b) The term "coast line" means the line of ordinary low water along that portion of the coast which is in direct contact with the open sea and the line marking the seaward limit of inland waters, which include all estuaries, ports, harbors, bays, channels, straits, historic bays, and sounds, and all other bodies of water which join the open sea;

(c) The terms "grantees" and "lessees" include (without limiting the generality thereof) all political subdivisions, municipalities, public and private corporations, and other persons holding grants or leases from a State, or its predecessor sovereign, to lands beneath navigable waters if such grants or leases were issued in accordance with the constitution, statutes, and decisions of the courts of the State in which lands are situated, or of its predecessor sovereign: *Provided however*, That nothing herein shall be construed as conferring upon said grantees or lessees any greater rights or interests other than are described herein and in their respective grants from the State, or its predecessor sovereign;

(d) The term "natural resources" shall include, without limiting the generality thereof, fish, shrimp, oysters, clams, crabs, lobsters, sponges, kelp, and other marine animals and plant life but shall not include water power or the use of water for the production of power at any site where the United States now owns the water power;

(e) The term "lands beneath navigable waters" shall not include the beds of streams in lands now or heretofore constituting a part of the public lands of the United States if such streams were not meandered in connection with the public survey of such lands under the laws of the United States;

(f) The term "continental shelf" means all submerged lands (1) which lie outside and seaward of lands beneath navigable waters as defined hereinabove section 2 (a), and (2) of which the subsoil and natural resources appertain to the United States and are subject to its jurisdiction and control;

(g) The term "Secretary" means the Secretary of the Interior;

(h) The term "State" means any State of the Union;

(i) The term "coastal States" shall mean those States, any portion of which borders upon the Atlantic Ocean, the Gulf of Mexico, or the Pacific Ocean;

(j) The term "person" includes any citizen of the United States, an association of such citizens, a State, a political subdivision of a State, or a private, public, or municipal corporation organized under the laws of the United States or of any State;

(k) The term "lease" whenever used with reference to action by a State or its political subdivision or grantee prior to January 1, 1949, shall be regarded

as including any form of authorization for the use, development or production of lands beneath navigable waters and the natural resources therein and thereunder, and the term "lessee" whenever used in such connection, shall be regarded as including any person having the right to develop or produce natural resources and any person having the right to use or develop lands beneath navigable waters under any such form of authorization;

(l) The term "Mineral Leasing Act" shall mean the Act of February 25, 1920 (41 Stat. 437; 30 U. S. C., sec. 181 and the following), and all Acts heretofore enacted which are amendatory thereof or supplementary thereto.

TITLE II

LANDS BENEATH NAVIGABLE WATERS WITHIN STATE BOUNDARIES

SEC. 3. RIGHTS OF THE STATES.—It is hereby determined and declared to be in the public interest that title to and ownership of the lands beneath navigable waters within the boundaries of the respective States, and the natural resources within such lands and waters, and the right and power to control, develop, and use the said natural resources all in accordance with applicable State law be, and they are hereby, subject to the provisions hereof, recognized, confirmed, established, and vested in the respective States or the persons who were on June 5, 1950, entitled thereto under the property law of the respective States in which the land is located, and the respective grantees, lessees, or successors in interest thereof; and the United States hereby releases and relinquishes unto said States and persons aforesaid all right, title, and interest of the United States, if any it has, in and to all said lands, moneys, improvements, and natural resources, and releases and relinquishes all claims of the United States, if any it has, arising out of any operations of said States or persons pursuant to State authority upon or within said lands and navigable waters. The rights, powers, and titles hereby recognized, confirmed, established, and vested in the respective States and their grantees are subject to each lease executed by a State, or its grantee, which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, and such rights, powers, and titles are further subject to the rights herein now granted to any person holding any such lease to continue to maintain the lease, and to conduct operations thereunder, in accordance with its provisions, for the full term thereof, and any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued such lease: *Provided, however*, That, if oil or gas was not being produced from such lease on and before December 11, 1950, then for a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provisions of such lease or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, such lease: *Provided, however*, That all rents, royalties, and other sums payable under such lease and the laws of the State issuing or whose grantee issued such lease between June 5, 1950, and the effective date hereof, which have not been paid to the State or its grantee issuing it or to the Secretary of the Interior of the United States, shall be paid to the State or its grantee issuing such lease within ninety days from the effective date hereof: *Provided, however*, That nothing in this Act shall affect the use, development, improvement, or control by or under the constitutional authority of the United States of said lands and waters for the purposes of navigation or flood control or the production of power at any site where the United States now owns or may hereafter acquire the water power or be construed as the release or relinquishment of any rights of the United States arising under the constitutional authority of Congress to regulate or improve navigation or to provide for flood control or the production of power at any site where the United States now owns the water power: *Provided further*, That nothing in this Act shall be construed as affecting or intending to affect or in any way interfere with or modify the laws of the States which lie wholly or in part westward of the ninety-eighth meridian, relating to the ownership and control of ground and surface waters; and the control, appropriation, use, and distribution of such waters shall continue to be in accordance with the laws of such States.

SEC. 4. SEAWARD BOUNDARIES.—Any State which has not already done so may extend its seaward boundaries to a line three geographical miles distant from its coast line, or in the case of the Great Lakes, to the international boundary of the United States. Any claim heretofore or hereafter asserted either by

constitutional provision, statute, or otherwise, indicating the intent of a State so to extend its boundaries is hereby approved and confirmed, without prejudice to its claim, if any it has, that its boundaries extend beyond that line. Nothing in this section is to be construed as questioning or in any manner prejudicing the existence of any State's seaward boundary beyond three geographical miles if it was so provided by its Constitution or laws prior to or at the time such State became a member of the Union, or if it has been heretofore or is hereafter approved by Congress.

SEC. 5. EXCEPTIONS FROM OPERATION OF SECTION 3 OF THIS ACT.—There is excepted from the operation of section 3 of this Act—

(a) all specifically described tracts or parcels of land and resources therein or improvements thereon title to which has been lawfully and expressly acquired by the United States from any State or from any person in whom title had vested under the decision of the courts of such State, or their respective grantees, or successors in interest, by cession, grant, quitclaim, or condemnation, or from any other owner or owners thereof by conveyance or by condemnation, provided such owner or owners had lawfully acquired the title to such lands and resources in accordance with the statutes or decisions of the courts of the State in which the lands are located; and

(b) such lands beneath navigable waters within the boundaries of the respective States and such interests therein as are held by the United States in trust for the benefit of any tribe, band, or group of Indians or for individual Indians.

SEC. 6. POWERS RETAINED BY THE UNITED STATES.—(a) The United States retains all its powers of regulation and control of said lands and navigable waters for the purposes of commerce, navigation, national defense, and international affairs, none of which includes any of the proprietary rights of ownership, or of use, development, and control of the lands and natural resources which are specifically recognized, confirmed, established, and vested in the respective States and others by section 3 of this Act.

(b) In time of war when necessary for national defense, and the Congress or the President shall so prescribe, the United States shall have the right of first refusal to purchase at the prevailing market price, all or any portion of the said natural resources, or to acquire and use any portion of said lands by proceeding in accordance with due process of law and paying just compensation therefor.

SEC. 7. Nothing in this Act shall be deemed to amend, modify, or repeal the Acts of July 26, 1866 (14 Stat. 251), July 9, 1870 (16 Stat. 217), March 3, 1877 (19 Stat. 377), June 17, 1902 (32 Stat. 388), and December 22, 1944 (58 Stat. 887), and Acts amendatory thereof or supplementary thereto.

TITLE III

CONTINENTAL SHELF OUTSIDE STATE BOUNDARIES

SEC. 8. JURISDICTION OVER CONTINENTAL SHELF.—(a) It is hereby declared to be the policy of the United States that the natural resources of the subsoil and sea bed of the continental shelf appertain to the United States and are subject to its jurisdiction, control, and power of disposition as provided in this Act. Except to the extent that it is exercised in a manner inconsistent with applicable Federal laws, the police power of each coastal State may extend to that portion of the continenal shelf which would be within the boundaries of such State if extended seaward to the outer margin of the continental shelf. The police power includes, but is not limited to, the power of taxation, conservation, and control of the manner of conducting geophysical explorations. This Act shall be construed in such manner that the character as high seas of the waters above the continental shelf and the right to their free and unimpeded navigation shall not be affected.

(b) Oil and gas deposits in the continental shelf shall be subject to control and disposal only in accordance with the provisions of this Act and no rights in or claims to such deposits, whether based upon applications filed or other action taken heretofore or hereafter, shall be recognized except in accordance with the provisions of this Act.

SEC. 9. PROVISIONS FOR LEASING OF CONTINENTAL SHELF.—(a) When requested by any responsible and qualified person interested in purchasing oil and gas leases on any area of the continental shelf not then under lease issued by the abutting State or the Federal Government, or when in the Secretary's opinion there is a demand for the purchase of such leases, the Secretary shall offer for

sale, on competitive sealed bidding, oil and gas leases on such area. Subject to the other terms and provisions hereof, sales of leases shall be made to the responsible and qualified bidder bidding the highest cash bonus per leasing unit. Notice of sale of oil and gas leases shall be published at least thirty days before the date of sale in accordance with rules and regulations promulgated by the Secretary, which publication shall contain (i) a description of the tracts into which the area to be leased has been subdivided by the Secretary for leasing purposes, such tracts being herein called "leasing units"; (ii) the minimum bonus per acre which will be accepted by the Secretary on each leasing unit; (iii) the amount of royalty as specified hereinafter in section 9 (d); (iv) the amount of rental per acre per annum on each leasing unit as specified hereinafter in section 9 (d); and (v) the time and place at which all bids shall be opened in public.

(b) The leasing units shall be in reasonably compact form and of such area and dimensions as may be determined by the Secretary, but shall not be less than six hundred and forty acres nor more than two thousand five hundred and sixty acres if within the known geologic structure of a producing oil or gas field and shall not be less than two thousand five hundred and sixty acres nor more than seven thousand six hundred and eighty acres if not within any known geologic structure of a producing oil or gas field.

(c) Oil and gas leases sold under the provisions of this section shall be for the primary term of five years and shall continue so long thereafter as oil or gas is produced therefrom in paying quantities. Each lease shall contain provisions requiring the exercise of reasonable diligence, skill, and care in the operation of the lease, and requiring the lessee to conduct his operations thereon in accordance with sound and efficient oil-field practices to prevent waste of oil or gas discovered under said lease or the entrance of water through wells drilled by him to the oil or gas sands or oil and gas bearing strata or the injury or destruction of the oil and gas deposits.

(d) Each lease shall provide that, on or after the discovery of oil or gas, the lessee shall pay a royalty of not less than 12½ per centum in amount or value of the production saved, removed, or sold from the leasing unit and, in any event, not less than $1 per acre per annum in lieu of rental for each lease year commencing after discovery. If after discovery of oil or gas the production thereof should cease from any cause, the lease shall not terminate if lessee commences additional drilling or reworking operations within ninety days thereafter or, if it be within the primary term, commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of ninety days from date of cessation of production. All leases issued hereunder shall be conditioned upon the payment by the lessee of a rental of $1 per acre per annum for the second and every lease year thereafter during the primary term and in lieu of drilling operations on or production from the leasing unit, all such rentals to be payable on or before the beginning of each lease year.

(e) If, at the expiration of the primary term of any lease, oil or gas is not being produced in paying quantities on a leasing unit, but drilling operations are commenced not less than 180 days prior to the end of the primary term and such drilling operations or other drilling operations have been and are being diligently prosecuted and the lessee has otherwise performed his obligations under the lease, the lease shall remain in force so long as drilling operations are prosecuted with reasonable diligence and in a good and workmanlike manner, and if they result in the production of oil or gas so long thereafter as oil or gas is produced therefrom in paying quantities.

(f) Should a lessee in a lease issued under the provisions of title III of this Act fail to comply with any of the provisions of this Act or of the lease, such lease may, upon proper showing, be canceled in an appropriate court proceeding because of such failure; but before the institution of such a court proceeding the Secretary shall allow the lessee 20 days in which to show cause in writing why the proceeding should not be instituted, and any submission made by the lessee during that period shall be given consideration by the Secretary in determining whether to recommend to the Attorney General that a court proceeding be instituted against the lessee. If a lease or any interest therein is owned or controlled, directly or indirectly, in violation of any of the provisions of this Act, the lease may be canceled, or the interest so owned or controlled may be forfeited or the person so owning or controlling the interest may be compelled to dispose of the interest in an appropriate court proceeding.

(g) The provisions of sections 17, 17 (b), 28, 30, 30 (a), 30 (b), 32, 36, and 39 of the Mineral Leasing Act to the extent that such provisions are not inconsistent with the terms of this Act, are made applicable to lands leased or subject to lease by the Secretary under title III of this Act.

(h) Each lease shall contain such other terms and provisions consistent with the provisions of this Act as may be prescribed by the Secretary. The Secretary may delegate his authority under this Act to officers or employees of the Department of the Interior and may authorize subdelegation to the extent that he may deem proper.

(i) Citizens of another country, the laws, customs, or regulations of which deny similar or like privileges to citizens or corporations of this country, shall not directly or by stock ownership, stock holding, stock control, trusteeship, or otherwise, own or control any interest in any lease acquired under the provisions of this section. Any ownership or interest forbidden in this section which may be acquired by descent, will, judgment, or decree may be held for 2 years and not longer after its acquisition. No lands leased under the provisions of this section shall be subleased, trusteed, possessed, or controlled by any device or in any manner whatsoever so that they form a part of or are in anywise controlled by any combination in the form of an unlawful trust, with the consent of the lessee, or form the subject in whole or in part of any contract, agreement, understanding, or conspiracy, entered into by the lessee, to restrain trade or commerce in the production or sale of oil or gas or to control the price of oil or gas.

(j) Any lease obtained through the exercise of fraud or misrepresentation, or which is not performed in accordance with its terms or with this law, may by appropriate court action be invalidated.

SEC. 10. EXCHANGE OF EXISTING STATE LEASES IN CONTINENTAL SHELF FOR FEDERAL LEASES.—(a) The Secretary is authorized and directed to issue a lease to any person in exchange for a lease covering lands in the continental shelf which (i) was issued by any State or its grantee prior to January 1, 1949, and which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, or (ii) was issued with the approval of the Secretary subsequent to January 1, 1949, and prior to the effective date of this Act and which on the effective date hereof was in force and effect in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease. Any lease issued pursuant to this section shall be for a term from the effective date hereof equal to the unexpired term of the old lease, or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, the same: *Provided, however*, That, if oil or gas was not being produced from such old lease on and before December 11, 1950, then any such new lease shall be for a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provisions of the old lease or any extensions, renewals, or replacements authorized therein or heretofore authorized by the laws of the State issuing or whose grantee issued such lease, shall cover the same natural resources and the same portion of the continental shelf as the old lease, shall provide for payment to the United States of the same rentals, royalties, and other payments as are provided for in the old lease, and shall include such other terms and provisions, consistent with the provisions of this Act, as may be prescribed by the Secretary. Operations under such old lease may be conducted as therein provided until the issuance of an exchange lease hereunder or until it is determined that no such exchange lease shall be issued. No lease which has been determined by appropriate court action to have been obtained by fraud or misrepresentation shall be accepted for exchange under this section.

(b) No such exchange lease shall be issued unless, (i) an application therefor, accompanied by a copy of the lease from the State or its political subdivision or grantee offered in exchange, is filed with the Secretary within six months from the effective date of this Act, or within such further period as provided in section 18 hereof, or as may be fixed from time to time by the Secretary; (ii) the applicant states in his application that the lease applied for shall be subject to the same overriding royalty obligations as the lease issued by the State or its political subdivision or grantee; (iii) the applicant pays to the United States all rentals, royalties, and other sums due to the lessor under the old lease which have or may become payable after January 1, 1949, and which have not been paid to the lessor under the old lease; (iv) the applicant furnishes such surety bond, if any, as the Secretary may require and complies with such other reason-

able requirements as the Secretary may deem necessary to protect the interests of the United States; and (v) the applicant files with the Secretary a certificate issued by the State official or agency having jurisdiction showing that the old lease was in force and effect in accordance with its terms and provisions and the laws of the State issuing it on the applicable date provided for in paragraph (a) of this section; or, in the absence of such certificate, evidence in the form of affidavit, receipts, canceled checks, and other documents showing such facts.

(c) All rents, royalties, and other sums payable under any such lease after December 11, 1950, and before the issuance of an exchange lease as herein provided, may be paid to the United States, subject, however, to accounting to the State which issued such lease or under whose authority the same was issued, in accordance with the provisions of section 12 hereof.

(d) In the event any lease covers lands of the continental shelf as well as other lands, the provisions of this section shall apply to such lease insofar only as it covers lands of the continental shelf.

SEC. 11. ACTIONS INVOLVING CONTINENTAL SHELF.—Any court proceeding involving the continental shelf may be instituted in the United States district court for the district in which the lessee, or the person owning or controlling the lease interest, may be found or for the district in which the leased property, or some part thereof, is located; or, if no part of the leased property is within any district, for the district nearest to the property involved.

SEC. 12. DIVISION OF PROCEEDS FROM THE CONTINENTAL SHELF.—Each coastal State is hereby vested with the right to 37½ per centum of all moneys received by the United States, after the effective date of this Act, as bonus payments, rents, and royalties with respect to operations for oil, gas, or other minerals in lands in the continental shelf which would be within the boundaries of such State, if extended seaward to the outer margin of the continental shelf; and the Secretary of the Treasury within ninety days after the expiration of each fiscal year shall pay to each such State the moneys to which it is so entitled. All other moneys received by the United States from operations in the continental shelf, under the provisions of this Act, shall be paid into the Treasury of the United States and applied to the payment of the principal of the national debt. If and whenever the United States shall take and receive in kind all or any part of the royalties referred to in this section, the value of such royalties so taken in kind shall be deemed to be the prevailing market price thereof at the time and place of production, and there shall be paid to the State entitled thereto as provided in this section, 37½ per centum of the value of such royalties.

SEC. 13. REFUNDS.—Where it appears to the satisfaction of the Secretary that any person has made a payment to the United States in connection with any lease under this Act in excess of the amount he was lawfully required to pay, such excess shall be repaid to such person or his legal representative, if a request for repayment of such excess is filed with the Secretary within two years after the issuance of the lease or the making of the payment. The Secretary shall certify the amounts of all such repayments to the Secretary of the Treasury, who is authorized and directed to make such repayments out of any moneys not otherwise appropriated and to issue his warrant in settlement thereof.

SEC. 14. WAIVER OF LIABILITY FOR PAST OPERATIONS.—(a) No State, or political subdivision or grantee thereof, shall be liable to or required to account to the United States in any way for entering upon, using, exploring for, developing, producing, or disposing of natural resources from lands covered by title II or title III of this Act prior to the effective date of this Act.

(b) No lessee under any lease of submerged lands covered by this Act and granted by any State or political subdivision or grantee thereof prior to the effective date of this Act shall be liable or required to account to the United States for the use of such lands or any natural resources produced, extracted, or removed under such lease or for the value thereof, nor shall any person who has purchased or otherwise acquired such lands or natural resources be liable to account to the United States therefor or for the value thereof.

(c) If it shall be determined by appropriate court action that fraud has been practiced in the obtaining of any lease referred to herein or in the operations thereunder, the waivers provided in this section shall not be effective.

SEC. 15. POWERS RESERVED TO THE UNITED STATES.—The United States reserves and retains—

(a) In time of war or when necessary for national defense, and when so prescribed by the Congress or the President, the right (i) of first refusal to purchase at the prevailing market price all or any portion of the oil or gas that may be produced from the continental shelf; (ii) to terminate

any lease issued or authorized pursuant to or validated by title III of this Act, in which event the United States shall become the owner of wells, fixtures, and improvements located on the area of such lease and shall be liable to the lessee for just compensation for such leasehold, wells, fixtures, and improvements, to be determined as in the case of condemnation; (iii) to suspend operations under any lease issued or authorized pursuant to or validated by title III of this Act, in which event the United States shall be liable to the lessee for such compensation as is required to be paid under the Constitution of the United States; and payment of rentals, minimum royalty, and royalty prescribed by such lease shall likewise be suspended during any period of suspension of operations, and the term of any suspended lease shall be extended by adding thereto any suspension period;

(b) the right to designate by and through the Secretary of Defense, with the approval of the President, as restricted, those areas of the continental shelf needed for navigational purposes or for national defense; and so long as such designation remains in effect no exploration or operations may be conducted on any part of the surface of such area except with the concurrence of the Secretary of Defense; and if operations or production under any lease theretofore issued on lands within any such restricted area shall be suspended, any payment of rents, minimum royalty, and royalty prescribed by such lease likewise shall be suspended during such period of suspension of operation and production, and the term of such lease shall be extended by adding thereto any such suspension period, and the United States shall be liable to the lessee for such compensation as is required to be paid under the Constitution of the United States;

(c) the ownership of and the right to extract helium from all gas produced from the continental shelf, subject to any lease issued pursuant to or validated by this Act under such general rules and regulations as shall be prescribed by the Secretary, but in the extraction of helium from such gas it shall be so extracted as to cause no substantial delay in the delivery of gas produced to the purchaser of such gas.

SEC. 16. GEOLOGICAL AND GEOPHYSICAL EXPLORATIONS.—The right of any person, subject to applicable provisions of law, and of any agency of the United States to conduct geological and geophysical explorations in the continental shelf, which do not interfere with or endanger actual operations under any lease issued pursuant to this Act, is hereby recognized.

SEC. 17. RIGHTS OF STATES NOT PREJUDICED.—Nothing contained in this Act shall operate to the prejudice of any State or of the United States in the determination by appropriate court action of any claim or claims of ownership or right of management, use, and disposition of the lands, minerals, or natural resources therein or thereunder within the continental shelf as these claims or rights may have existed prior to the passage of this Act. Any State which is found by appropriate court action to have owned or possessed, prior to the passage of this Act, the rights of management, use, or disposition of the lands, minerals, or other natural resources within any part of the continental shelf shall not by this Act be deprived of any such rights and powers.

SEC. 18. INTERPLEADER AND INTERIM ARRANGEMENTS.—(a) Notwithstanding the other provisions of this Act, if any lessee under any lease of submerged lands granted by any State, its political subdivisions, or grantees, prior to the effective date of this Act, shall file with the Secretary a certificate executed by such lessee under oath and stating that doubt exists (i) as to whether an area covered by such lease lies within the continental shelf, or (ii) as to whom the rents, royalties, or other sums payable under such lease are lawfully payable, or (iii) as to the validity of the claims of the State which issued, or whose political subdivision or grantee issued, such lease to the area covered by the lease and that such claims have not been determined by a final judgment of a court of competent jurisdiction—

(1) the lessee may interplead the United States and, with their consent, the State or States concerned, in an action filed in the United States district court having jurisdiction of any part of the area, and, in the event of State consent to be interpleaded, deposit with the clerk of that court all rents, royalties, and other sums payable under such lease after the filing of such certificate, and such deposit shall be full performance of the lessee's obligation under such lease to make such payments; or

(2) the lessee may continue to pay all rents, royalties, and other sums payable under such lease to the State, its political subdivisions, or grantees, as in the lease provided, until it is determined by final judgment of a court

of competent jurisdiction that such rents, royalties, and other sums should be paid otherwise, and thereafter such rents, royalties, and other sums shall be paid by said lessee in accordance with the determination of such final judgment. In the event it shall be determined by such final judgment that the United States is entitled to any moneys theretofore paid to any State or political subdivision or grantee thereof, such State, its political subdivision, or grantee, as the case may be, shall promptly account to the United States therefor; or

(3) the lessee of any such lease may file application for an exchange lease under section 10 hereof at any time prior to the expiration of six months after it is determined by final judgment of a court of competent jurisdiction that the claims of the State which issued, or whose political subdivision or grantee issued, such lease to the area covered by the lease are invalid as against the United States and that the lands covered by such lease are within the continental shelf.

(b) If any area of the continental shelf or other lands covered by this Act included in any lease issued by a State or its political subdivision or grantee is involved in litigation between the United States and such State, its political subdivision, or grantee, the lessee in such lease shall have the right to intervene in such action and deposit with the clerk of the court in which such case is pending any rents, royalties, and other sums payable under the lease subsequent to the effective date of this Act, and such deposit shall be full discharge and acquittance of the lessee for any payment so made.

SEC. 19. If any provision of this Act or the application thereof to any person or circumstance is held invalid, the validity of the remainder of the Act and of the application of such provision to other persons and circumstances shall not be affected thereby.

[H. R. 636, 83d Cong., 1st sess.]

A BILL To confirm and establish the titles of the States to lands beneath navigable waters within State boundaries and to the natural resources within such lands and waters, to provide for the use and control of said lands and resources, and to provide for the use, control, exploration, development, and conservation of certain resources of the continental shelf lying outside of State boundaries

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Submerged Lands Act."

TITLE 1

DEFINITION

SEC. 2. When used in this Act—

(a) The term "lands beneath navigable waters" includes (1) all lands within the boundaries of each of the respective States which were covered by waters navigable under the laws of the United States at the time such State became a member of the Union, and all lands permanently or periodically covered by tidal waters up to but not above the line of mean high tide and seaward to a line three geographical miles distant from the coast line of each such State and to the boundary line of each such State where in any case such boundary as it existed at the time such State became a member of the Union, or as heretofore or hereafter approved by Congress, extends seaward (or into the Great Lakes or Gulf of Mexico) beyond three geographical miles, and (2) all filled in, made, or reclaimed lands which formerly were lands beneath navigable waters, as herein defined: the term "boundaries" includes the seaward boundaries of a State or its boundaries in the Gulf of Mexico or any of the Great Lakes as they existed at the time such State became a member of the Union, or as heretofore or hereafter approved by the Congress, or as extended or confirmed pursuant to section 4 hereof;

(b) The term "coast line" means the line of ordinary low water along that portion of the coast which is in direct contact with the open sea and the line marking the seaward limit of inland waters, which include all estuaries, ports, harbors, bays, channels, straits, historic bays, and sounds, and all other bodies of water which join the open sea;

(c) The terms "grantees" and "lessees" include (without limiting the generality thereof) all political subdivisions, municipalities, public and private corporations, and other persons holding grants or leases from a State, or its

predecessor sovereign, to lands beneath navigable waters if such grants or leases were issued in accordance with the constitution, statutes, and decisions of the courts of the State in which such lands are situated, or of its predecessor sovereign: *Provided, however*, That nothing herein shall be construed as conferring upon said grantees or lessees any greater rights or interests other than are described herein and in their respective grants from the State, or its predecessor sovereign;

(d) The term "natural resources" shall include, without limiting the generality thereof, fish, shrimp, oysters, clams, crabs, lobsters, sponges, kelp, and other marine animal and plant life but shall not include water power or the use of water for the production of power at any site where the United States now owns the water power;

(e) The term "lands beneath navigable waters" shall not include the beds of streams in lands now or heretofore constituting a part of the public lands of the United States if such streams were not meandered in connection with the public survey of such lands under the laws of the United States;

(f) The term "continental shelf" means all submerged lands (1) which lie outside and seaward of lands beneath navigable waters as defined hereinabove in section 2 (a), and (2) of which the subsoil and natural resources appertain to the United States and are subject to its jurisdiction and control;

(g) The term "Secretary" means the Secretary of the Interior;

(h) The term "State" means any State of the Union;

(i) The term "coastal States" shall mean those States, any portion of which borders upon the Atlantic Ocean, the Gulf of Mexico, or the Pacific Ocean;

(j) The term "person" includes any citizen of the United States, an association of such citizens, a State, a political subdivision of a State, or a private, public, or municipal corporation organized under the laws of the United States or of any State;

(k) The term "lease" whenever used with reference to action by a State or its political subdivision or grantee prior to January 1, 1949, shall be regarded as including any form of authorization for the use, development or production of lands beneath navigable waters and the natural resources therein and thereunder, and the term "lessee" whenever used in such connection, shall be regarded as including any person having the right to develop or produce natural resources and any person having the right to use or develop lands beneath navigable waters under any such form of authorization;

(l) The term "Mineral Leasing Act" shall mean the Act of February 25, 1920 (41 Stat. 437; 30 U. S. C., sec. 181 and the following), and all Acts heretofore enacted which are amendatory thereof or supplementary thereto.

TITLE II

LANDS BENEATH NAVIGABLE WATERS WITHIN STATE BOUNDARIES

SEC. 3. RIGHTS OF THE STATES.—It is hereby determined and declared to be in the public interest that title to and ownership of the lands beneath navigable waters within the boundaries of the respective States, and the natural resources within such lands and waters, and the right and power to control, develop, and use the said natural resources all in accordance with applicable State law be, and they are hereby, subject to the provisions hereof, recognized, confirmed, established, and vested in the respective States or the persons who were on June 5, 1950, entitled thereto under the property law of the respective States in which the land is located, and the respective grantees, lessees, or successors in interest thereof; and the United States hereby releases and relinquishes unto said States and persons aforesaid all right, title, and interest of the United States, if any it has, in and to all said lands, moneys, improvements, and natural resources, and releases and relinquishes all claims of the United States, if any it has, arising out of any operations of said States or persons pursuant to State authority upon or within said lands and navigable waters. The rights, powers, and titles hereby recognized, confirmed, established, and vested in the respective States and their grantees are subject to each lease executed by a State, or its grantee, which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, and such rights, powers, and titles are further subject to the rights herein now granted to any person holding any such lease to continue to maintain the lease, and to conduct operations thereunder, in accordance with its provisions, for the full term thereof, and any extensions, renewals, or replace-

ments authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued such lease: *Provided, however*, That, if oil or gas was not being produced from such lease on and before December 11, 1950, then for a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provisions of such lease or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, such lease: *Provided, however*, That all rents, royalties, and other sums payable under such lease and the laws of the State issuing or whose grantee issued such lease between June 5, 1950, and the effective date hereof, which have not been paid to the State or its grantee issuing it or to the Secretary of the Interior of the United States, shall be paid to the State or its grantee issuing such lease within ninety days from the effective date hereof: *Provided, however*, That nothing in this Act shall affect the use, development, improvement, or control by or under the constitutional authority of the United States of said lands and waters for the purposes of navigation or flood control or the production of power at any site where the United States now owns or may hereafter acquire the water power or be construed as the release or relinquishment of any rights of the United States arising under the constitutional authority of Congress to regulate or improve navigation or to provide for flood control or the production of power at any site where the United States now owns the water power: *Provided further*, That nothing in this Act shall be construed as affecting or intending to affect or in any way interfere with or modify the laws of the States which lie wholly or in part westward of the ninety-eighth meridian, relating to the ownership and control of ground and surface waters; and the control, appropriation, use, and distribution of such waters shall continue to be in accordance with the laws of such States.

SEC. 4. SEAWARD BOUNDARIES.—Any State which has not already done so may extend its seaward boundaries to a line three geographical miles distant from its coast line, or in the case of the Great Lakes, to the international boundary of the United States. And claim heretofore or hereafter asserted either by constitutional provision, statute, or otherwise, indicating the intent of a State so to extend its boundaries is hereby approved and confirmed, without prejudice to its claim, if any it has, that its boundaries extend beyond that line. Nothing in this section is to be construed as questioning or in any manner prejudicing the existence of any State's seaward boundary beyond three geographical miles if it was so provided by its Constitution or laws prior to or at the time such State became a member of the Union, or if it has been heretofore or is hereafter approved by Congress.

SEC. 5. EXCEPTIONS FROM OPERATION OF SECTION 3 OF THIS ACT.—There is excepted from the operation of section 3 of this Act—

(a) all specifically described tracts or parcels of land and resources therein or improvements thereon title to which has been lawfully and expressly acquired by the United States from any State or from any person in whom title had vested under the decisions of the courts of such State, or their respective grantees, or successors in interest, by cession, grant, quitclaim, or condemnation, or from any other owner or owners thereof by conveyance or by condemnation, provided such owner or owners had lawfully acquired the title to such lands and resources in accordance with the statutes or decisions of the courts of the State in which the lands are located; and

(b) such lands beneath navigable waters within the boundaries of the respective States and such interests therein as are held by the United States in trust for the benefit of any tribe, band, or group of Indians or for individual Indians.

SEC. 6. POWERS RETAINED BY THE UNITED STATES.—(a) The United States retains all its powers of regulation and control of said lands and navigable waters for the purposes of commerce, navigation, national defense, and international affairs, none of which includes any of the proprietary rights of ownership, or of use, development, and control of the lands and natural resources which are specifically recognized, confirmed, established, and vested in the respective States and others by section 3 of this Act.

(b) In time of war when necessary for national defense, and the Congress or the President shall so prescribe, the United States shall have the right of first refusal to purchase at the prevailing market price, all or any portion of the said natural resources, or to acquire and use any portion of said lands by

proceeding in accordance with due process of law and paying just compensation therefor.

SEC. 7. Nothing in this Act shall be deemed to amend, modify, or repeal the Acts of July 26, 1866 (14 Stat. 251), July 9, 1870 (16 Stat. 217), March 3, 1877 (19 Stat. 378), June 17, 1902 (32 Stat. 388), and December 22, 1944 (58 Stat. 887), and Acts amendatory thereof or supplementary thereto.

TITLE III

CONTINENTAL SHELF OUTSIDE STATE BOUNDARIES

SEC. 8. JURISDICTION OVER CONTINENTAL SHELF.—(a) It is hereby declared to be the policy of the United States that the natural resources of the subsoil and seabed of the continental shelf appertain to the United States and are subject to its jurisdiction, control, and power of disposition as provided in this Act. Except to the extent that it is exercised in a manner inconsistent with applicable Federal laws, the police power of each coastal State may extend to that portion of the continental shelf which would be within the boundaries of such State if extended seaward to the outer margin of the continental shelf. The police power includes, but is not limited to, the power of taxation, conservation, and control of the manner of conducting geophysical explorations. This Act shall be construed in such manner that the character as high seas of the waters above the continental shelf and the right of their free and unimpeded navigation shall not be affected.

(b) Oil and gas deposits in the continental shelf shall be subject to control and disposal only in accordance with the provisions of this Act and no rights in or claims to such deposits, whether based upon applications filed or other action taken heretofore or hereafter, shall be recognized except in accordance with the provisions of this Act.

SEC. 9. PROVISIONS FOR LEASING OF CONTINENTAL SHELF.—(a) When requested by any responsible and qualified person interested in purchasing oil and gas leases on any area of the continental shelf not then under lease issued by the abutting State or the Federal Government, or when in the Secretary's opinion there is a demand for the purchase of such leases, the Secretary shall offer for sale, on competitive sealed bidding, oil and gas leases on such area. Subject to the other terms and provisions hereof, sales of leases shall be made to the responsible and qualified bidder bidding the highest cash bonus per leasing unit. Notice of sale of oil and gas leases shall be published at least thirty days before the date of sale in accordance with rules and regulations promulgated by the Secretary, which publication shall contain (i) a description of the tracts into which the area to be leased has been subdivided by the Secretary for leasing purposes, such tracts being herein called "leasing units"; (ii) the minimum bonus per acre which will be accepted by the Secretary on each leasing unit; (iii) the amount of royalty as specified hereinafter in section 9 (d); (iv) the amount of rental per acre per annum on each leasing unit as specified hereinafter in section 9 (d); and (v) the time and place at which all bids shall be opened in public.

(b) The leasing units shall be in reasonably compact form and of such area and dimensions as may be determined by the Secretary, but shall not be less than six hundred and forty acres nor more than two thousand five hundred and sixty acres if within the known geologic structure of a producing oil or gas field and shall not be less than two thousand five hundred and sixty acres nor more than seven thousand six hundred and eighty acres if not within any known geologic structure of a producing oil or gas field.

(c) Oil and gas leases sold under the provisions of this section shall be for the primary term of five years and shall continue so long thereafter as oil or gas is produced therefrom in paying quantities. Each lease shall contain provisions requiring the exercise of reasonable diligence, skill, and care in the operation of the lease, and requiring the lessee to conduct his operations thereon in accordance with sound and efficient oil-field practices to prevent waste of oil or gas discovered under said lease or the entrance of water through wells drilled by him to the oil or gas sands or oil and gas bearing strata or the injury or destruction of the oil and gas deposits.

(d) Each lease shall provide that, on or after the discovery of oil or gas, the lessee shall pay a royalty of not less than 12½ per centum in amount or value of the production saved, removed, or sold from the leasing unit and, in any event, not less than $1 per acre per annum in lieu of rental for each lease year commencing after discovery. If after discovery of oil or gas the production thereof

should cease from any cause, the lease shall not terminate if lessee commences additional drilling or reworking operations within ninety days thereafter, or, if it be within the primary term, commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of ninety days from date of cessation of production. All leases issued hereunder shall be conditioned upon the payment by the lessee of a rental of $1 per acre per annum for the second and every lease year thereafter during the primary term and in lieu of drilling operations on or production from the leasing unit, all such rentals to be payable on or before the beginning of each lease year.

(e) If, at the expiration of the primary term of any lease, oil or gas is not being produced in paying quantities on a leasing unit, but drilling operations are commenced not less than one hundred eighty days prior to the end of the primary term and such drilling operations or other drilling operations have been and are being diligently prosecuted and the lessee has otherwise performed his obligations under the lease, the lease shall remain in force so long as drilling operations are prosecuted with reasonable diligence and in a good and workmanlike manner, and if they result in the production of oil or gas so long thereafter as oil or gas is produced therefrom in paying quantities.

(f) Should a lessee in a lease issued under the provisions of title III of this Act fail to comply with any of the provisions of this Act or of the lease, such lease may, upon proper showing, be canceled in an appropriate court proceeding because of such failure; but before the institution of such a court proceeding the Secretary shall allow the lessee twenty days in which to show cause in writing why the proceeding should not be instituted, and any submission made by the lessee during that period shall be given consideration by the Secretary in determining whether to recommend to the Attorney General that a court proceeding be instituted against the lessee. If a lease or any interest therein is owned or controlled, directly or indirectly, in violation of any of the provisions of this Act, the lease may be canceled, or the interest so owned or controlled may be forfeited or the person so owning or controlling the interest may be compelled to dispose of the interest in an appropriate court proceeding.

(g) The provisions of sections 17, 17 (b), 28, 30, 30 (a), 30 (b), 32, 36, and 39 of the Mineral Leasing Act to the extent that such provisions are not inconsistent with the terms of this Act, are made applicable to lands leased or subject to lease by the Secretary under title III of this Act.

(h) Each lease shall contain such other terms and provisions consistent with the provisions of this Act as may be prescribed by the Secretary. The Secretary may delegate his authority under this Act to officers or employees of the Department of the Interior and may authorize subdelegation to the extent that he may deem proper.

(i) Citizens of another country, the laws, customs, or regulations of which deny similar or like privileges to citizens or corporations of this country, shall not directly or by stock ownership, stock holding, stock control, trusteeship, or otherwise, own or control any interest in any lease acquired under the provisions of this section. Any ownership or interest forbidden in this section which may be acquired by descent, will, judgment, or decree may be held for two years and not longer after its acquisition. No lands leased under the provisions of this section shall be subleased, trusteed, possessed, or controlled by any device or in any manner whatsoever so that they form a part of or are in anywise controlled by any combination in the form of an unlawful trust, with the consent of the lessee, or form the subject in whole or in part of any contract, agreement, understanding, or conspiracy, entered into by the lessee, to restrain trade or commerce in the production or sale of oil or gas or to control the price of oil or gas.

(j) Any lease obtained through the exercise of fraud or misrepresentation, or which is not performed in accordance with its terms or with this law, may by appropriate court action be invalidated.

SEC. 10. EXCHANGE OF EXISTING STATE LEASES IN CONTINENTAL SHELF FOR FEDERAL LEASES.—(a) The Secretary is authorized and directed to issue a lease to any person in exchange for a lease covering lands in the continental shelf which (i) was issued by any State or its grantee prior to January 1, 1949, and which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, or (ii) was issued with the approval of the Secretary subsequent to January 1, 1949, and prior to the effective date of this Act and which on the effective date hereof was in force and effect in accordance with its terms

and provisions and the laws of the State issuing, or whose grantee issued, such lease. Any lease issued pursuant to this section shall be for a term from the effective date hereof equal to the unexpired term of the old lease, or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, the same: *Provided, however*, That, if oil or gas was not being produced from such old lease on and before December 11, 1950, then any such new lease shall be for a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provisions of the old lease or any extensions, renewals, or replacements authorized therein or heretofore authorized by the laws of the State issuing or whose grantee issued such lease, shall cover the same natural resources and the same portion of the continental shelf as the old lease, shall provide for payment to the United States of the same rentals, royalties, and other payments as are provided for in the old lease, and shall include such other terms and provisions, consistent with the provisions of this Act, as may be prescribed by the Secretary. Operations under such old lease may be conducted as therein provided until the issuance of an exchange lease hereunder or until it is determined that no such exchange lease shall be issued. No lease which has been determined by appropriate court action to have been obtained by fraud or misrepresentation shall be accepted for exchange under this section.

(b) No such exchange lease shall be issued unless, (i) an application therefor, accompanied by a copy of the lease from the State or its political subdivision or grantee offered in exchange, is filed with the Secretary within six months from the effective date of this Act, or within such further period as provided in section 18 hereof, or as may be fixed from time to time by the Secretary; (ii) the applicant states in his application that the lease applied for shall be subject to the same overriding royalty obligations as the lease issued by the State or its political subdivision or grantee; (iii) the applicant pays to the United States all rentals, royalties, and other sums due to the lessor under the old lease which have or may become payable after January 1, 1949, and which have not been paid to the lessor under the old lease; (iv) the applicant furnishes such surety bond, if any, as the Secretary may require and complies with such other reasonable requirements as the Secretary may deem necessary to protect the interests of the United States; and (v) the applicant files with the Secretary a certificate issued by the State official or agency having jurisdiction showing that the old lease was in force and effect in accordance with its terms and provisions and the laws of the State issuing it on the applicable date provided for in paragraph (a) of this section; or, in the absence of such certificate, evidence in the form of affidavit, receipts, canceled checks, and other documents showing such facts.

(c) All rents, royalties, and other sums payable under any such lease after December 11, 1950, and before the issuance of an exchange lease as herein provided, may be paid to the United States, subject, however, to accounting to the State which issued such lease or under whose authority the same was issued, in accordance with the provisions of section 12 hereof.

(d) In the event any lease covers lands of the continental shelf as well as other lands, the provisions of this section shall apply to such lease insofar only as it covers lands of the continental shelf.

SEC. 11. ACTIONS INVOLVING CONTINENTAL SHELF.—Any court proceeding involving the continental shelf may be instituted in the United States district court for the district in which the lessee, or the person owning or controlling the lease interest, may be found or for the district in which the leased property, or some part thereof, is located; or, if no part of the leased property is within any district, for the district nearest to the property involved.

SEC. 12. DIVISION OF PROCEEDS FROM THE CONTINENTAL SHELF.—Each coastal State is hereby vested with the right to 37½ per centum of all moneys received by the United States, after the effective date of this Act, as bonus payments, rents, and royalties with respect to operations for oil, gas, or other minerals in lands in the continental shelf which would be within the boundaries of such State, if extended seawar to the outer margin of the continental shelf; and the Secretary of the Treasury within ninety days after the expiration of each fiscal year shall pay to each such State the moneys to which it is so entitled. All other moneys received by the United States from operations in the continental shelf, under the provisions of this Act, shall be paid into the Treasury of the United States and applied to the payment of the principal of the national debt. If and whenever the United States shall take and receive in kind all or any part

of the royalties referred to in this section, the value of such royalties so taken in kind shall be deemed to be the prevailing market price thereof at the time and place of production, and there shall be paid to the State entitled thereto as provided in this section, 37½ per centum of the value of such royalties.

SEC. 13. REFUNDS.—Where it appears to the satisfaction of the Secretary that any person has made a payment to the United States in connection with any lease under this Act in excess of the amount he was lawfully required to pay, such excess shall be repaid to such person or his legal representative, if a request for repayment of such excess is filed with the Secretary within two years after the issuance of the lease or the making of the payment. The Secretary shall certify the amounts of all such repayments to the Secretary of the Treasury, who is authorized and directed to make such repayments out of any moneys not otherwise appropriated and to issue his warrant in settlement thereof.

SEC. 14. WAIVER OF LIABILITY FOR PAST OPERATIONS.—(a) No State, or political subdivision or grantee thereof, shall be liable to or required to account to the United States in any way for entering upon, using, exploring for, developing, producing, or disposing of natural resources from lands covered by title II or title III of this Act prior to the effective date of this Act.

(b) No lessee under any lease of submerged lands covered by this Act and granted by any State or political subdivision or grantee thereof prior to the effective date of this Act shall be liable or required to account to the United States for the use of such lands or any natural resources produced, extracted, or removed under such lease or for the value thereof, nor shall any person who has purchased or otherwise acquired such lands or natural resources be liable to account to the United States therefor or for the value thereof.

(c) If it shall be determined by appropriate court action that fraud has been practiced in the obtaining of any lease referred to herein or in the operations thereunder, the waivers provided in this section shall not be effective.

SEC. 15. POWERS RESERVED TO THE UNITED STATES.—The United States reserves and retains—

(a) in time of war or when necessary for national defense, and when so prescribed by the Congress or the President, the right (i) of first refusal to purchase at the prevailing market price all or any portion of the oil or gas that may be produced from the continental shelf; (ii) to terminate any lease issued or authorized pursuant to or validated by title III of this Act, in which event the United States shall become the owner of wells, fixtures, and improvements located on the area of such lease and shall be liable to the lessee for just compensation for such leasehold, wells, fixtures, and improvements, to be determined as in the case of condemnation; (iii) to suspend operations under any lease issued or authorized pursuant to or validated by title III of this Act, in which event the United States shall be liable to the lessee for such compensation as is required to be paid under the Constitution of the United States; and payment of rentals, minimum royalty, and royalty prescribed by such lease shall likewise be suspended during any period of suspension of operations, and the term of any suspended lease shall be extended by adding thereto any suspension period;

(b) the right to designate by and through the Secretary of Defense, with the approval of the President, as restricted, those areas of the continental shelf needed for navigational purposes or for national defense; and so long as such designation remains in effect no exploration or operations may be conducted on any part of the surface of such area except with the concurrence of the Secretary of Defense; and if operations or production under any lease theretofore issued on lands within any such restricted area shall be suspended, any payment of rents, minimum royalty, and royalty prescribed by such lease likewise shall be suspended during such period of suspension of operation and production, and the term of such lease shall be extended by adding thereto any such suspension period, and the United States shall be liable to the lessee for such compensation as is required to be paid under the Constitution of the United States;

(c) the ownership of and the right to extract helium from all gas produced from the continental shelf, subject to any lease issued pursuant to or validated by this Act under such general rules and regulations as shall be prescribed by the Secretary, but in the extraction of helium from such gas it shall be so extracted as to cause no substantial delay in the delivery of gas produced to the purchaser of such gas.

SEC. 16. GEOLOGICAL AND GEOPHYSICAL EXPLORATIONS.—The right of any person, subject to applicable provisions of law, and of any agency of the United States to conduct geological and geophysical explorations in the continental shelf, which do not interfere with or endanger actual operations under any lease issued pursuant to this Act, is hereby recognized.

SEC. 17. RIGHTS OF STATES NOT PREJUDICED.—Nothing contained in this Act shall operate to the prejudice of any State or of the United States in the determination by appropriate court action of any claim or claims of ownership or right of management, use, and disposition of the lands, minerals, or natural resources therein or thereunder within the continental shelf as these claims or rights may have existed prior to the passage of this Act. Any State which is found by appropriate court action to have owned or possessed, prior to the passage of this Act, the rights of management, use, or disposition of the lands, minerals, or other natural resources within any part of the continental shelf shall not by this Act be deprived of any such rights and powers.

SEC. 18. INTERPLEADER AND INTERIM ARRANGEMENTS.—(a) Notwithstanding the other provisions of this Act, if any lessee under any lease of submerged lands granted by any State, its political subdivisions, or grantees, prior to the effective date of this Act, shall file with the Secretary a certificate executed by such lessee under oath and stating that doubt exists (i) as to whether an area covered by such lease lies within the continental shelf, or (ii) as to whom the rents, royalties, or other sums payable under such lease are lawfully payable, or (iii) as to the validity of the claims of the State which issued, or whose political subdivision or grantee issued, such lease to the area covered by the lease and that such claims have not been determined by a final judgment of a court of competent jurisdiction—

(1) the lessee may interplead the United States and, with their consent, the State or States concerned, in an action filed in the United States district court having jurisdiction of any part of the area, and, in the event of State consent to be interpleaded, deposit with the clerk of that court all rents, royalties, and other sums payable under such lease after the filing of such certificate, and such deposit shall be full performance of the lessee's obligation under such lease to make such payments; or

(2) the lessee may continue to pay all rents, royalties, and other sums payable under such lease to the State, its political subdivisions, or grantees, as in the lease provided, until it is determined by final judgment of a court of competent jurisdiction that such rents, royalties, and other sums should be paid otherwise, and thereafter such rents, royalties, and other sums shall be paid by said lessee in accordance with the determination of such final judgment. In the event it shall be determined by such final judgment that the United States is entitled to any moneys theretofore paid to any State or political subdivision or grantee thereof, such State, its political subdivision, or grantee, as the case may be, shall promptly account to the United States therefor; or

(3) the lessee of any such lease may file application for an exchange lease under section 10 hereof at any time prior to the expiration of six months after it is determined by final judgment of a court of competent jurisdiction that the claims of the State which issued, or whose political subdivision or grantee issued, such lease to the area covered by the lease are invalid as against the United States and that the lands covered by such lease are within the continental shelf.

(b) If any area of the continental shelf or other lands covered by this Act included in any lease issued by a State or its political subdivision or grantee is involved in litigation between the United States and such State, its political subdivision, or grantee, the lessee in such lease shall have the right to intervene in such action and deposit with the clerk of the court in which such case is pending any rents, royalties, and other sums payable under the lease subsequent to the effective date of this Act, and such deposit shall be full discharge and acquittance of the lessee for any payment so made.

SEC. 19. If any provision of this Act or the application thereof to any person or circumstance is held invalid, the validity of the remainder of the Act and of the application of such provision to other persons and circumstances shall not be affected thereby.

[H. R. 641, 83d Cong., 1st sess.]

A BILL To confirm and establish the titles of the States to lands beneath navigable waters within State boundaries and to the natural resources within such lands and waters, to provide for the use and control of said lands and resources, and to provide for the use, control, exploration, development, and conservation of certain resources of the continental shelf lying outside of State boundaries

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Submerged Lands Act".

TITLE I

DEFINITION

SEC. 2. When used in this Act—

(a) The term "lands beneath navigable waters" includes (1) all lands within the boundaries of each of the respective States which were covered by waters navigable under the laws of the United States at the time such State became a member of the Union, and all lands permanently or periodically covered by tidal waters up to but not above the line of mean high tide and seaward to a line three geographical miles distant from the coast line of each such State and to the boundary line of each such State where in any case such boundary as it existed at the time such State became a member of the Union, or as heretofore or hereafter approved by Congress, extends seaward (or into the Great Lakes or Gulf of Mexico) beyond three geographical miles, and (2) all filled in, made, or reclaimed lands which formerly were lands beneath navigable waters, as herein defined; the term "boundaries" includes the seaward boundaries of a State or its boundaries in the Gulf of Mexico or any of the Great Lakes as they existed at the time such State became a member of the Union, or as heretofore or hereafter approved by the Congress, or as extended or confirmed pursuant to section 4 hereof;

(b) The term "coast line" means the line of ordinary low water along that portion of the coast which is in direct contact with the open sea and the line marking the seaward limit of inland waters, which include all estuaries, ports, harbors, bays, channels, straits, historic bays, and sounds, and all other bodies of water which join the open sea;

(c) The terms "grantees" and "lessees" include (without limiting the generality thereof) all political subdivisions, municipalities, public and private corporations, and other persons holding grants or leases from a State, or its predecessor sovereign, to lands beneath navigable waters if such grants or leases were issued in accordance with the constitution, statutes, and decisions of the courts of the State in which such lands are situated, or of its predecessor sovereign: *Provided, however,* That nothing herein shall be construed as conferring upon said grantees or lessees any greater rights or interests other than are described herein and in their respective grants from the State, or its predecessor sovereign;

(d) The term "natural resources" shall include, without limiting the generality thereof, oil, gas, and all other minerals, and fish, shrimp, oysters, clams, crabs, lobsters, sponges, kelp, and other marine animal and plant life but shall not include water power or the use of water for the production of power at any site where the United States now owns the water power;

(e) the term "lands beneath navigable waters" shall not include the beds of streams in lands now or heretofore constituting a part of the public lands of the United States if such streams were not meandered in connection with the public survey of such lands under the laws of the United States;

(f) The term "continental shelf" means all submerged lands (1) which lie outside and seaward of lands beneath navigable waters as defined hereinabove in section 2 (a), and (2) of which the subsoil and natural resources appertain to the United States and are subject to its jurisdiction and control;

(g) The term "Secretary" means the Secretary of the Interior;

(h) The term "State" means any State of the Union;

(i) The term "coastal States" shall mean those States, any portion of which borders upon the Atlantic Ocean, the Gulf of Mexico, or the Pacific Ocean;

(j) The term "person" includes any citizen of the United States, an association of such citizens, a State, a political subdivision of a State, or a private, public, or municipal corporation organized under the laws of the United States or of any State;

(k) The term "lease" whenever used with reference to action by a State or its political subdivision or grantee shall be regarded as including any form of authorized for the use, development, or production of lands beneath navigable

waters or lands of the continental shelf and the natural resources therein and thereunder, and the term "lessee" whenever used in such connection, shall be regarded as including any person having the right to develop or produce natural resources and any person having the right to use or develop lands beneath navigable waters or lands of the continental shelf under any such form of authorization;

(i) The term "Mineral Leasing Act" shall mean the Act of February 25, 1920 (41 Stat. 437; 30 U. S. C., sec. 181 and the following), and all Acts heretofore enacted which are amendatory thereof or supplementary thereto.

TITLE II

LANDS BENEATH NAVIGABLE WATERS WITHIN STATE BOUNDARIES

SEC. 3. RIGHTS OF THE STATES.—(a) It is hereby determined and declared to be in the public interest that (1) title to and ownership of the lands beneath navigable waters within the boundaries of the respective States, and the natural resources within such lands and waters, and (2) the right and power to manage, administer, lease, control, develop, and use the said natural resources all in accordance with applicable State law be, and they are hereby, subject to the provisions hereof, severally recognized, confirmed, established, vested in and/or delegated to the respective States or the persons who were on June 5, 1950, entitled thereto under the law of the respective States in which the land is located, and the respective grantees, lessees, or successors in interest thereof.

(b) (1) The United States hereby releases and relinquishes unto said States and persons aforesaid all right, title, and interest of the United States, if any it has, in and to all said lands, moneys, improvements, and natural resources.

(2) The United States hereby releases and relinquishes all claims of the United States, if any it has, arising out of any operations of said States or persons pursuant to State authority upon or within said lands and navigable waters.

(3) The Secretary or the Treasurer of the United States shall pay to the respective States or their grantees issuing leases covering such lands or natural resources all moneys paid or tendered thereunder to the Secretary or to the Treasurer of the United States and subject to the control of either of them or to the control of the United States on the effective date of this Act, except that portion of such moneys which the Secretary is obligated to return to a lessee who does not consent to such payment.

(c) The rights, powers, and titles hereby recognized, confirmed, established, vested in, and delegated to the respective States and their grantees are subject to each lease executed by a State, or its grantee, which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, and such rights, powers, and titles are further subject to the rights herein now granted to any person holding any such lease to continue to maintain the lease, and to conduct operations thereunder, in accordance with its provisions, for the full term thereof, and any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued such lease: *Provided, however*, That, if oil or gas was not being produced from such lease on and before December 11, 1950, or if the primary term of such lease has expired since December 11, 1950, then for a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provisions of such lease or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, such lease: *Provided, however*, That within ninety days from the effective date hereof (i) the lessee shall pay to the State or its grantee issuing such lease all rentals, royalties, and other sums payable between June 5, 1950, and the effective date hereof under such lease and the laws of the State issuing or whose grantee issued such lease, except such rentals, royalties, and other sums as have been paid to the State, its grantee, the Secretary, or the Treasurer of the United States and not refunded to the lessee; and (ii) the lessee shall file with the Secretary, and with the State issuing or whose grantee issued such lease, instruments consenting to the payment by the Secretary, or the Treasurer of the United States, to the State or its grantee issuing the lease, of all rentals, royalties, and other payments under the control of the Secretary or the Treasurer

of the United States which have been paid under the lease, except such rentals, royalties, and other payments as have also been paid by the lessee to the State or its grantee.

(d) Nothing in this Act shall affect the use, development, improvement, or control by or under the constitutional authority of the United States of said lands and waters for the purposes of navigation or flood control or the production of power at any site where the United States now owns or may hereafter acquire the water power or be construed as the release or relinquishment of any rights of the United States arising under the constitutional authority of Congress to regulate or improve navigation or to provide for flood control or the production of power at any site where the United States now owns the water power.

(e) Nothing in this Act shall be construed as affecting or intending to affect or in any way interfere with or modify the laws of the States which lie wholly or in part westward of the ninety-eighth meridian, relating to the ownership and control of ground and surface waters; and the control, appropriation, use, and distribution of such waters shall continue to be in accordance with the laws of such States.

(f) In the event any lease covers lands beneath navigable waters as well as other lands the provisions of this section shall apply to such lease only insofar as it covers lands beneath navigable waters.

SEC. 4. SEAWARD BOUNDARIES.—Any State which has not already done so may extend its seaward boundaries to a line three geographical miles distant from its coast line, or in the case of the Great Lakes, to the international boundary of the United States. Any claim heretofore or hereafter asserted either by constitutional provision, statute, or otherwise, indicating the intent of a State so to extend its boundaries, is hereby approved and confirmed, without prejudice to its claim, if any it has, that its boundaries extend beyond that line. Nothing in this section is to be construed as questioning or in any manner prejudicing the existence of any State's seaward boundary beyond three geographical miles if it was so provided by its Constitution or laws prior to or at the time such State became a member of the Union, or if it has been heretofore or is hereafter approved by Congress.

SEC. 5. EXCEPTIONS FROM OPERATION OF SECTION 3 OF THIS ACT.—There is excepted from the operation of section 3 of this Act—

(a) all specifically described tracts or parcels of land and resources therein or improvements thereon title to which has been lawfully and expressly acquired by the United States from any State or from any person in whom title had vested under the decisons of the courts of such State, or their respective grantees, or successors in interest, by cession, grant, quitclaim, or condemnation, or from any other owner or owners thereof by conveyance or by condemnation, provided such owner or owners had lawfully acquired the title to such lands and resources in accordance with the statutes or decisions of the courts of the State in which the lands are located; and

(b) such lands beneath navigable waters within the boundaries of the respective States and such interests therein as are held by the United States in trust for the benefit of any tribe, band, or group of Indians or for individual Indians.

SEC. 6. POWERS RETAINED BY THE UNITED STATES.—(a) The United States retains all its rights in and powers of regulation and control of said lands and navigable waters for the purposes of commerce, navigation, national defense, and international affairs, except the proprietary rights of ownership, and the rights of management, administration, leasing, use, development, and control of the lands and natural resources which are specifically recognized, confirmed, established, vested in, and delegated to the respective States and others by section 3 of this Act.

(b) In time of war when necessary for national defense, and the Congress or the President shall so prescribe, the United States shall have the right of first refusal to purchase at the prevailing market price, all or any portion of the said natural resources, or to acquire and use any portion of said lands by proceeding in accordance with due process of law and paying just compensation therefor.

SEC. 7. Nothing in this Act shall be deemed to amend, modify, or repeal the Acts of July 26, 1866 (14 Stat. 251), July 9, 1870 (16 Stat. 217), March 3, 1877 (19 Stat. 377), and June 17, 1902 (32 Stat. 388), and Acts amendatory thereof or supplementary thereto.

TITLE III

CONTINENTAL SHELF OUTSIDE STATE BOUNDARIES

SEC. 8. JURISDICTION OVER CONTINENTAL SHELF.—(a) It is hereby declared to be the policy of the United States that the natural resources of the subsoil and sea bed of the continental shelf appertain to the United States and are subject to its jurisdiction, control, and power of disposition as provided in this Act. Except to the extent that it is exercised in a manner inconsistent with applicable Federal laws, the police power of each coastal State may extend to that portion of the continental shelf which would be within the boundaries of such State if extended seaward to the outer margin of the continental shelf. The police power includes, but is not limited to, the power of taxation, conservation, and control of the manner of conducting geophysical explorations. This Act shall be construed in such manner that the character as high seas of the waters above the continental shelf and the right to their free and unimpeded navigation shall not be affected.

(b) Oil and gas deposits in the continental shelf shall be subject to control and disposal only in accordance with the provisions of this Act and no rights in or claims to such deposits, whether based upon applications filed or other action taken heretofore or hereafter, shall be recognized except in accordance with the provisions of this Act.

SEC. 9. PROVISIONS FOR LEASING OF CONTINENTAL SHELF.—(a) When requested by any responsible and qualified person interested in purchasing oil and gas leases on any area of the continental shelf not then under lease issued by the abutting State or the Federal Government, or when in the Secretary's opinion there is a demand for the purchase of such leases, the Secretary shall offer for sale, on competitive sealed bidding, oil and gas leases on such area. Subject to the other terms and provisions hereof, sales of leases shall be made to the responsible and qualified bidder bidding the highest cash bonus per leasing unit. Notice of sale of oil and gas leases shall be published at least thirty days before the date of sale in accordance with rules and regulations promulgated by the Secretary, which publication shall contain (i) a description of the tracts into which the area to be leased has been subdivided by the Secretary for leasing purposes, such tracts being herein called "leasing units"; (ii) the minimum bonus per acre which will be accepted by the Secretary on each leasing unit; (iii) the amount of royalty as specified hereinafter in section 9 (d); (iv) the amount of rental per acre per annum on each leasing unit as specified hereinafter in section 9 (d); and (v) the time and place at which all bids shall be opened in public.

(b) The leasing units shall be in reasonably compact form of such area and dimensions as may be determined by the Secretary, but shall not be less than six hundred and forty acres nor more than two thousand five hundred and sixty acres if within the known geologic structure of a producing oil or gas field and shall not be less than two thousand five hundred and sixty acres nor more than seven thousand six hundred and eighty acres if not within any known geologic structure of a producing oil or gas field.

(c) Oil and gas leases sold under the provisions of this section shall be for the primary terms of five years and shall continue so long thereafter as oil or gas is produced therefrom in paying quantities. Each lease shall contain provisions requiring the exercise of reasonable diligence, skill, and care in the operation of the lease, and requiring the lessee to conduct his operations thereon in accordance with sound and efficient oil-field practices to prevent waste of oil or gas discovered under said lease or the entrace of water through wells drilled by him to the oil or gas sands or oil and gas bearing strata or the injury or destruction of the oil and gas deposits.

(d) Each lease shall provide that, on or after the discovery of oil or gas, the lessee shall pay a royalty of not less than 12½ per centum in amount or value of the production saved, removed, or sold from the leasing unit and, in any event, not less than $1 per acre per annum in lieu of rental for each lease year commencing after discovery. If after discovery of oil or gas the production thereof should cease from any cause, the lease shall not terminate if lessee commences additional drilling or reworking operations within ninety days thereafter or, if it be within the primary term, commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of ninety days from the date of cessation of production. All leases issued hereunder shall be conditioned upon

the payment by the lessee of a rental of $1 per acre per annum for the second and every lease year thereafter during the primary term and in lieu of drilling operations on or production from the leasing unit, all such rentals to be payable on or before the beginning of each lease year.

(e) If, at the expiration of the primary term of any lease, oil or gas is not being produced in paying quantities on a leasing unit, but drilling operations are commenced not less than one hundred eighty days prior to the end of the primary term and such drilling operations or other drilling operations have been and are being diligently prosecuted and the lessee has otherwise performed his obligations under the lease, the lease shall remain in force so long as drilling operations are prosecuted with reasonable diligence and in a good and workmanlike manner, and if they result in the production of oil or gas so long thereafter as oil or gas is produced therefrom in paying quantities.

(f) Should a lessee in a lease issued under the provisions of title III of this Act fail to comply with any of the provisions of this Act or of the lease, such lease may, upon proper showing, be canceled in an appropriate court proceeding because of such failure; but before the institution of such a court proceeding the Secretary shall allow the lessee twenty days in which to show cause in writing why the proceeding should not be instituted, and any submission made by the lessee during that period shall be given consideration by the Secretary in determining whether to recommend to the Attorney General that a court proceeding be instituted against the lessee. If a lease or any interest therein is owned or controlled, directly or indirectly, in violation of any of the provisions of this Act, the lease may be canceled, or the interest so owned or controlled may be forfeited or the person so owning or controlling the interest may be compelled to dispose of the interest in an appropriate court proceeding.

(g) The provisions of sections 17, 17 (b), 28, 30, 30 (a), 30 (b), 32, 36, and 39 of the Mineral Leasing Act to the extent that such provisions are not inconsistent with the terms of this Act, are made applicable to lands leased or subject to lease by the Secretary under title III of this Act.

(h) Each lease shall contain such other terms and provisions consistent with the provisions of this Act as may be prescribed by the Secretary. The Secretary may delegate his authority under this Act to officers or employees of the Department of the Interior and may authorize subdelegation to the extent that he may deem proper.

(i) Citizens of another country, the laws, customs, or regulations of which deny similar or like privileges to citizens or corporations of this country, shall not directly or by stock ownership, stock holding, stock control, trusteeship, or otherwise, own or control any interest in any lease acquired under the provisions of this section. Any ownership or interest forbidden in this section which may be acquired by descent, will, judgment, or decree may be held for two years and not longer after its acquisition. No lands leased under the provisions of this section shall be subleased, trusteed, possessed, or controlled by any device or in any manner whatsoever so that they form a part of or are in anywise controlled by any combination in the form of an unlawful trust, with the consent of the lessee, or form the subject in whole or in part of any contract, agreement, understanding, or conspiracy, entered into by the lessee, to restrain trade or commerce in the production or sale of oil or gas or to control the price of oil or gas.

(j) Any lease obtained through the exercise of fraud or misrepresentation, or which is not performed in accordance with its terms or with this law, may by appropriate court action be invalidated.

SEC. 10. EXCHANGE OF EXISTING STATE LEASES IN CONTINENTAL SHELF FOR FEDERAL LEASES.—(a) The Secretary is authorized and directed to issue a lease to any person in exchange for a lease covering lands in the continental shelf which (i) was issued by any State or its grantee prior to January 1, 1949, and which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, or (ii) was issued with the approval of the Secretary subsequent to January 1, 1949, and prior to the effective date of this Act and which on the effective date hereof was in force and effect in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease. Any lease issued pursuant to this section shall be for a term from the effective date hereof equal to the unexpired term of the old lease, or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, the same *Provided, however*, That, if oil or gas was not being produced from such old lease on and before December 11, 1950, or if the primary term of such lease has expired since December 11, 1950, then any such new lease shall be for a term from the effective date hereof equal

to the term remaining unexpired on December 11, 1950, under the provisions of the old lease or any extensions, renewals or replacements authorized therein or heretofore authorized by the laws of the State issuing or whose grantee issued such lease, shall cover the same natural resources and the same portion of the continental shelf as the old lease, shall provide for payment to the United States of the same rentals, royalties, and other payments as are provided for in the old lease, and shall include such other terms and provisions, consistent with the provisions of this Act, as may be prescribed by the Secretary. Operations under such old lease may be conducted as therein provided until the issuance of an exchange lease hereunder or until it is determined that no such exchange lease shall be issued. No lease which has been determined by appropriate court action to have been obtained by fraud or misrepresentation shall be accepted for exchange under this section.

(b) No such exchange lease shall be issued unless, (i) an application therefor, accompanied by a copy of the lease from the State or its political subdivision or grantee offered in exchange, is filed with the Secretary within six months from the effective date of this Act, or within such further period as provided in section 17 hereof, or as may be fixed from time to time by the Secretary; (ii) the applicant states in his application that the lease applied for shall be subject to the same overriding royalty obligations as the lease issued by the State or its political subdivision or grantee; (iii) the applicant pays to the United States all rentals, royalties, and other sums due to the lessor under the old lease which have or may become payable after December 11, 1950, and which have not been paid to the lessor or to the Secretary under the old lease; (iv) the applicant furnishes such surety bond, if any, as the Secretary may require and complies with such other reasonable requirements as the Secretary may deem necessary to protect the interests of the United States; and (v) the applicant files with the Secretary a certificate issued by the State official or agency having jurisdiction showing that the old lease was in force and effect in accordance with its terms and provisions and the laws of the State issuing it on the applicable date provided for in subsection (a) of this section; or, in the absence of such certificate, evidence in the form of affidavit, receipts, canceled checks, and other documents showing such facts.

(c) All rentals, royalties, and other sums payable under any such lease after December 11, 1950, and before the issuance of an exchange lease as herein provided, may be paid to the United States, subject, however, to accounting to the State which issued such lease or under whose authority the same was issued, in accordance with the provisions of section 12 hereof.

(d) In the event any lease covers lands of the continental shelf as well as other lands, the provisions of this section shall apply to such lease insofar only as it covers lands of the continental shelf.

SEC. 11. ACTIONS INVOLVING CONTINENTAL SHELF.—Any court proceeding involving the continental shelf may be instituted in the United States district court for the district in which the lessee, or the person owning or controlling the lease interest, may be found or for the district in which the leased property, or some part thereof, is located; or, if no part of the leased property is within any district, for the district nearest to the property involved.

SEC. 12. DIVISION OF PROCEEDS FROM THE CONTINENTAL SHELF.—Each coastal State is hereby vested with the right to 37½ per centum of all moneys received by the United States, after the effective date of this Act, as bonus payments, rentals, and royalties with respect to operations for oil, gas, or other minerals in lands in the continental shelf which would be within the boundaries of such State, if extended seaward to the outer margin of the continental shelf; and the Secretary of the Treasury within ninety days after the expiration of each fiscal year shall pay to each such State the moneys to which it is so entitled. All other moneys received by the United States from operations in the continental shelf, under the provisions of this Act, shall be paid into the Treasury of the United States and applied to the payment of the principal of the national debt. If and whenever the United States shall take and receive in kind all or any part of the royalties referred to in this section, the value of such royalties so taken in kind shall be deemed to be the prevailing market price thereof at the time and place of production, and there shall be paid to the State entitled thereto as provided in this section, 37½ per centum of the value of such royalties.

SEC. 13. REFUNDS.—When it appears to the satisfaction of the Secretary that any person has made a payment to the United States in connection with any lease under this Act in excess of the amount he was lawfully required to pay, such excess shall be repaid to such person or his legal representative, if a request

for repayment of such excess is filed with the Secretary within two years after the issuance of the lease or the making of the payment. The Secretary shall certify the amounts of all such repayments to the Secretary of the Treasury, who is authorized and directed to make such repayments out of any moneys not otherwise appropriated and to issue his warrant in settlement thereof.

SEC. 14. WAIVER OF LIABILITY FOR PAST OPERATIONS.—(a) No State, or political subdivision, grantee or lessee shall be liable to or required to account to the United States in any way for entering upon, using, exploring for, developing, producing, or disposing of natural resources from lands of the continental shelf prior to December 11, 1950.

(b) If it shall be determined by appropriate court action that fraud has been practiced in the obtaining of any lease referred to herein or in the operations thereunder, the waivers provided in this section shall not be effective.

SEC. 15. POWERS RESERVED TO THE UNITED STATES.—The United States reserves and retains—

(a) in time of war or when necessary for national defense, and when so prescribed by the Congress or the President, the right (i) of first refusal to purchase at the prevailing market price all or any portion of the oil or gas that may be produced from the continental shelf; (ii) to terminate any lease issued or authorized pursuant to or validated by title III of this Act, in which event the United States shall become the owner of wells, fixtures, and improvements located on the area of such lease and shall be liable to the lessee for just compensation for such leaseholds, wells, fixtures, and improvements, to be determined as in the case of condemnation; (iii) to suspend operations under any lease issued or authorized pursuant to or validated by title III of this Act, in which event the United States shall be liable to the lessee for such compensation as is required to be paid under the Constitution of the United States; and payment of rentals, minimum royalty, and royalty prescribed by such lease shall likewise be suspended during any period of suspension of operations, and the term of any suspended lease shall be extended by adding thereto any suspension period;

(b) the right to designate by and through the Secretary of Defense, with the approval of the President, as restricted, those areas of the continental shelf needed for navigational purposes or for national defense; and so long as such designation remains in effect no exploration or operations may be conducted on any part of the surface of such area except with the concurrence of the Secretary of Defense; and if operations or production under any lease theretofore issued on lands within any such restricted area shall be suspended, any payment of rentals, minimum royalty, and royalty prescribed by such lease likewise shall be suspended during such period of suspension of operation and production, and the term of such lease shall be extended by adding thereto any such suspension period, and the United States shall be liable to the lessee for such compensation as is required to be paid under the Constitution of the United States;

(c) the ownership of and the right to extract helium from all gas produced from the continental shelf, subject to any lease issued pursuant to or validated by this Act under such general rules and regulations as shall be prescribed by the Secretary, but in the extraction of helium from such gas it shall be so extracted as to cause no substantial delay in the delivery of gas produced to the purchaser of such gas.

SEC. 16. GEOLOGICAL AND GEOPHYSICAL EXPLORATIONS.—The right of any person, subject to applicable provisions of law, and of any agency of the United States to conduct geological and geophysical explorations in the continental shelf, which do not interfere with or endanger actual operations under any lease issued pursuant to this Act, is hereby recognized.

SEC. 17. INTERPLEADER AND INTERIM ARRANGEMENTS.—(a) Notwithstanding the other provisions of this Act, if any lessee under any lease of submerged lands granted by any State, its political subdivisions, or grantees, prior to the effective date of this Act, shall file with the Secretary a certificate executed by such lessee under oath and stating that doubt exists (i) as to whether an area covered by such lease lies within the continental shelf, or (ii) as to whom the rentals, royalties, or other sums payable under such lease are lawfully payable, or (iii) as to the validity of the claims of the State which issued, or whose political subdivision or grantee issued, such lease to the area covered by the lease and that such claims have not been determined by a final judgment of a court of competent jurisdiction—

(1) the lessee may interplead the United States and, with their consent, the State or States concerned, in an action filed in the United States district court having jurisdiction of any part of the area, and, in the event of State consent to be interpleaded, deposit with the clerk of that court all rentals, royalties, and other sums payable under such lease after filing of such certificate, and such deposit shall be full performance of the lessee's obligation under such lease to make such payments; or

(2) the lessee may continue to pay all rentals, royalties, and other sums payable under such lease to the State, its political subdivisions, or grantees, as in the lease provided, until it is determined by final judgment of a court of competent jurisdiction that such rentals, royalties, and other sums should be paid otherwise, and thereafter such rentals, royalties, and other sums shall be paid by said lessee in accordance with the determination of such final judgment. In the event it shall be determined by such final judgment that the United States is entitled to any moneys theretofore paid to any State or political subdivision or grantee thereof, such State, its political subdivision, or grantee, as the case may be, shall promptly account to the United States therefor; and

(3) the lessee of any such lease may file application for an exchange lease under section 10 hereof at any time prior to the expiration of six months after it is determined by final judgment of a court of competent jurisdiction that the claims of the State which issued, or whose political subdivision or grantee issued, such lease to the area covered by the lease are invalid as against the United States and that the lands covered by such lease are within the continental shelf.

(b) If any area of the continental shelf or other lands covered by this Act included in any lease issued by a State or its political subdivision or grantee is involved in litigation between the United States and such State, its political subdivision, or grantee, the lessee in such lease shall have the right to intervene in such action and deposit with the clerk of the court in which such case is pending any rentals, royalties, and other sums payable under the lease subsequent to the effective date of this Act, and such deposit shall be full discharge and acquittance of the lessee for any payment so made.

TITLE IV

GENERAL

SEC. 18. SEPARABILITY.—If any provision of this Act, or any section, subsection, sentence, clause, phrase, or individual word, or the application thereof to any person or circumstance is held invalid, the validity of the remainder of the Act and of the application of any such provision, section, subsection, sentence, clause, phrase or individual word to other persons and circumstances shall not be affected thereby; without limiting the generality of the foregoing, if subsection 3 (a) 1, 3 (a) 2, 3 (b) 1, 3 (b) 2, 3 (b) 3, or 3 (c) or any provision of any of those subsections is held invalid, such subsection or provision shall be held separable and the remaining subsections and provisions shall not be affected thereby.

[H. R. 1062, 83d Cong., 1st sess.]

A BILL To confirm and establish the titles of the States to lands beneath navigable waters within State boundaries and natural resources within such lands and waters and to provide for the use and control of said lands and resources

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the United States of America, recognizing—

(a) that the several States, and the others as hereinafter mentioned, since July 4, 1776, or since their formation and admission to the Union, have exercised full powers of ownership of all lands beneath navigable waters within their respective boundaries and all natural resources, including fish and other marine life within such lands and waters, and full control of said natural resources, with the full acquiescence and approval of the United States and in accordance with many pronouncements of the Supreme Court and decisions of the executive departments of the Federal Government that such lands and resources were vested in the respective States as an incident to State sovereignty and that the exercise of such powers of

ownership and control has not in the past impaired or interfered with and will not impair or interfere with the exercise by the Federal Government of its constitutional powers in relation to said lands and navigable waters and to the control and regulation of commerce, navigation, national defense, and international relations; and

(b) that the several States, their subdivisions, and persons lawfully acting pursuant to State authority have expended enormous sums of money on improving and reclaiming said lands and in developing the natural resources in said lands and waters in full reliance upon the validity of their titles; and

(c) that a recent decision of the Supreme Court held that the Federal Government has certain paramount powers with respect to a portion of said lands without reaffirming or settling the ultimate question of ownership of such lands and resources, but said decision recognizes that the question of the ownership and control of said lands and natural resources is within the "congressional area of national power" and that Congress will not execute its powers "in such way as to bring about injustices to States, their subdivisions, or persons acting pursuant to their permission";

it is hereby determined and declared to be in the public interest that title to and ownership of the lands beneath navigable waters within the boundaries of the respective States, and the natural resources within such lands and waters, and the right and power to control, develop, and use the said natural resources in accordance with applicable State law be, and they are hereby, recognized, confirmed, established, and vested in the respective States or the persons lawfully entitled thereto under the law as established by the decisions of the respective courts of such States, and the respective grantees, lessees, or successors in interest thereof; and the United States hereby releases and relinquishes unto said States and persons aforesaid all right, title, and interest of the United States, if any it has, in and to all said lands, improvements, and natural resources, and releases and relinquishes all claims of the United States, if any it has, arising out of any operations of said States or persons pursuant to State authority upon or within said lands and navigable waters: *Provided, however*, That nothing in this Act shall affect the use, development, improvement, and control by or under the authority of the United States of said lands and waters for the purposes of navigation or flood control or the production or distribution of power, or be construed as the release or relinquishment of any rights of the United States arising under the authority of Congress to regulate or improve navigation or to provide for flood control or the production or distribution of power.

SEC. 2. As used in this Act—

(a) the term "lands beneath navigable waters" includes (1) all lands within the boundaries of each of the respective States which were covered by waters navigable under the laws of the United States, at the time such State became a member of the Union, and all lands permanently or periodically covered by tidal waters up to but not above the line of mean high tide and seaward to a line three geographical miles distant from the coast line of each such State and to the boundary line of each such State where in any case such boundary, as it existed at the time such State became a member of the Union or as heretofore or hereafter approved by Congress, extends seaward (or into the Great Lakes or Gulf of Mexico) beyond three geographical miles, and (2) all lands formerly beneath navigable waters, as herein defined, which have been filled or reclaimed; the term "boundaries" includes the seaward boundaries of a State or its boundaries in the Gulf of Mexico or any of the Great Lakes as they existed at the time such State became a member of the Union, or as heretofore or hereafter approved by the Congress, or as extended or confirmed pursuant to section 3 hereof;

(b) the term "coast line" means the line of ordinary low water along that portion of the coast which is in direct contact with the open sea and the line marking the seaward limit of all estuaries, ports, harbors, bays, straits, and sounds, and all other bodies of water which are landward of the open sea;

(c) the terms "grantees" and "lessees" include (without limiting the generality thereof) all political subdivisions, municipalities, and persons holding grants or leases from a State to lands beneath navigable waters if such grants or leases were issued in accordance with the constitution, statutes, and decisions of the courts of the State in which such lands are situated; and the term "person" shall include corporations, partnerships, and associations;

(d) the term "natural resources" shall not include water power or the use of water for the production of power;

(e) the term "lands beneath navigable waters" shall not include the beds of streams in lands now or heretofore constituting a part of the public lands of the United States if such streams were not meandered in connection with the public survey of such lands under the laws of the United States.

SEC. 3. Any State which has not already done so may extend its seaward boundaries (or its boundaries in the Great Lakes) to a line three geographical miles distant from its coast line. Any claim heretofore or hereafter asserted either by constitutional provision, statute, or otherwise, indicating the intent of a State to extend its boundaries to a line three geographical miles distant from its coast line is hereby approved and confirmed, without prejudice to its claim, if any it has, that its boundaries extend beyond that line.

SEC. 4. There is excepted from the operation of the first section of this Act—

(a) all lands and resources therein or improvements thereon which have been lawfully acquired by the United States from any State or from any person in whom title had vested under the decisions of the courts of such State, or their respective grantees, or successors in interest by cession, grant, quitclaim, or condemnation, or from any other owner or owners thereof by conveyance or by condemnation, provided such owner or owners had lawfully acquired the title to such lands and resources in accordance with the statutes or decisions of the courts of the State in which the lands are located; and

(b) such lands beneath navigable waters within the boundaries of the respective States and such interests therein as the United States is lawfully entitled to under the law as established by the decisions of the courts of the State in which the land is situated, or which are held by the United States in trust for the benefit of any tribe, band, or group of Indians or for individual Indians.

SEC. 5. (a) The United States retains all its powers of regulation and control of said lands and navigable waters for the purposes of commerce, navigation, national defense, and international affairs except those rights to the ownership, use, development, and control of the lands and natural resources, which are specifically recognized, confirmed, established, and vested in the respective States and others by the first section of this Act.

(b) In time of war or when necessary for national defense, and the Congress or the President shall so prescribe, the United States shall have the right of first refusal to purchase, at the prevailing market price, all or any portion of the said natural resources, or to acquire and use any portion of said lands by proceeding in accordance with due process of law and paying just compensation therefor.

SEC. 6. Nothing in this Act shall be deemed to affect the determination by legislation or judicial decree of any issues between the United States and the respective States relating to the ownership or control of that portion of the subsoil and sea bed of the Continental Shelf lying seaward and outside of the area of lands beneath navigable waters, described in section 2 hereof.

SEC. 7. Nothing in this Act shall be deemed to amend, modify, or repeal the Acts of July 26, 1866 (14 Stat. 251), July 9, 1870 (16 Stat. 217), March 3, 1877 (19 Stat. 377), and June 17, 1902 (32 Stat. 388), and Acts amendatory thereof or supplementary thereto.

[H. R. 1398, 83d Cong., 1st sess.]

A BILL To confirm and establish the titles of the States to lands beneath navigable waters within State boundaries and to the natural resources within such lands and waters, to provide for the use and control of said lands and resources, and to provide for the use, control, exploration, development, and conservation of certain resources of the continental shelf lying outside of State boundaries

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Submerged Lands Act".

TITLE I

DEFINITION

SEC. 2. When used in this Act—

(a) The term "lands beneath navigable waters" includes (1) all lands within the boundaries of each of the respective States which were covered by waters navigable under the laws of the United States at the time such State became

a member of the Union, and all lands permanently or periodically covered by tidal waters up to but not above the line of mean high tide and seaward to a line three geographical miles distant from the coast line of each such State and to the boundary line of each such State where in any case such boundary as it existed at the time such State became a member of the Union, or as heretofore or hereafter approved by Congress, extends seaward (or into the Great Lakes or Gulf of Mexico) beyond three geographical miles, and (2) all filled in, made, or reclaimed lands which formerly were lands beneath navigable waters, as herein defined; the term "boundaries" includes the seaward boundaries of a State or its boundaries in the Gulf of Mexico or any of the Great Lakes as they existed at the time such State became a member of the Union, or as heretofore or hereafter approved by the Congress, or as extended or confirmed pursuant to section 4 hereof;

(b) The term "coast line" means the line of ordinary low water along that portion of the coast which is in direct contact with the open sea and the line marking the seaward limit of inland waters, which include all estuaries, ports, harbors, bays, channels, straits, historic bays, and sounds, and all other bodies of water which join the open sea;

(c) The terms "grantee" and "lessees" include (without limiting the generality thereof) all political subdivisions, municipalities, public and private corporations, and other persons holding grants or leases from a State, or its predecessor sovereign, to lands beneath navigable waters if such grants or leases were issued in accordance with the constitution, statutes, and decisions of the courts of the State in which such lands are situated, or of its predecessor sovereign: *Provided, however*, That nothing herein shall be construed as conferring upon said grantees or lessees any greater rights or interests other than are described herein and in their respective grants from the State, or its predecessor sovereign;

(d) The term "natural resources" shall include, without limiting the generality thereof, oil, gas and all other minerals, and fish, shrimp, oysters, clams, crabs, lobsters, sponges, kelp, and other marine animal and plant life but shall not include water power or the use of water for the production of power at any site where the United States now owns the water power;

(e) The term "lands beneath navigable waters" shall not include the beds of streams in lands now or heretofore constituting a part of the public lands of the United States if such streams were not meandered in connection with the public survey of such lands under the laws of the United States;

(f) The term "continental shelf" means all submerged lands (1) which lie outside and seaward of lands beneath navigable waters as defined hereinabove in section 2 (a), and (2) of which the subsoil and natural resources appertain to the United States and are subject to its jurisdiction and control;

(g) The term "Secretary" means the Secretary of the Interior;

(h) The term "State" means any State of the Union;

(i) The term "coastal States" shall mean those States, any portion of which borders upon the Atlantic Ocean, the Gulf of Mexico, or the Pacific Ocean;

(j) The term "person" includes any citizen of the United States, an association of such citizens, a State, a political subdivision of a State, or a private, public, or municipal corporation organized under the laws of the United States or of any State;

(k) The term "lease" whenever used with reference to action by a State or its political subdivision or grantee shall be regarded as including any form of authorization for the use, development or production of lands beneath navigable waters or lands of the continental shelf and the natural resources therein and thereunder, and the term "lessee" whenever used in such connection, shall be regarded as including any person having the right to develop or produce natural resources and any person having the right to use or develop lands beneath navigible waters or lands of the continental shelf under any such form of authorization;

(l) The term "Mineral Leasing Act" shall mean the Act of February 25, 1920 (41 Stat. 437; 30 U. S. C., sec. 181 and the following), and all Acts heretofore enacted which are amendatory thereof or supplementary thereto.

TITLE II

LANDS BENEATH NAVIGABLE WATERS WITHIN STATE BOUNDARIES

SEC. 3. RIGHTS OF THE STATES.—(a) It is hereby determined and declared to be in the public interest that (1) title to and ownership of the lands

beneath navigable waters within the boundaries of the respective States, and the natural resources within such lands and waters, and (2) the right and power to manage, administer, lease, control, develop, and use the said natural resources all in accordance with applicable State law be, and they are hereby, subject to the provisions hereof, severally recognized, confirmed, established, vested in and/or delegated to the respective States or the persons who were on June 5, 1950, entitled thereto under the law of the respective States in which the land is located, and the respective grantees, lessees, or successors in interest thereof.

(b) (1) The United States hereby releases and relinquishes unto said States and persons aforesaid all right, title, and interest of the United States, if any it has, in and to all said lands, moneys, improvements, and natural resources; (2) the United States hereby releases and relinquishes all claims of the United States, if any it has, arising out of any operations of said States or persons pursuant to State authority upon or within said lands and navigable waters; and (3) the Secretary or the Treasurer of the United States shall pay to the respective States or their grantees issuing leases covering such lands or natural resources all moneys paid or tendered thereunder to the Secretary or to the Treasurer of the United States and subject to the control of either of them or to the control of the United States on the effective date of this Act, except that portion of such moneys which the Secretary is obligated to return to a lessee who does not consent to such payment.

(c) The rights, powers, and titles hereby recognized, confirmed, established, vested in and delegated to the respective States and their grantees are subject to each lease executed by a State, or its grantee, which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, and such rights, powers, and titles are further subject to the rights herein now granted to any person holding any such lease to continue to maintain the lease, and to conduct operations thereunder, in accordance with its provisions, for the full term thereof, and any extensions, renewals, or replacements authorized therein, or heretofore authorized by by the laws of the State issuing, or whose grantee issued such lease: *Provided, however*, That if oil or gas was not being produced from such lease on and before December 11, 1950, or if the primary term of such lease has expired since December 11, 1950, then for a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provisions of such lease or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing or whose grantee issued, such lease: *Provided, however*, That within 90 days from the effective date hereof (i) the lessee shall pay to the State or its grantee issuing such lease all rentals, royalties, and other sums payable between June 5, 1950, and the effective date hereof under such lease and the laws of the State issuing or whose grantee issued such lease, except such rentals, royalties and other sums as have been paid to the State, its grantee, the Secretary or the Treasurer of the United States and not refunded to the lessee; and (ii) the lessee shall file with the Secretary and with the State issuing or whose grantee issued such lease, instruments consenting to the payment by the Secretary or the Treasurer of the United States to the State or its grantee issuing the lease, of all rentals, royalties and other payments under the control of the Secretary, the Treasurer, or the United States which have been paid under the lease, except such rentals, royalties and other payments as have also been paid by the lessee to the State or its grantee.

(d) Nothing in this Act shall affect the use, development, improvement, or control by or under the constitutional authority of the United States of said lands and waters for the purposes of navigation or flood control or the production of power at any site where the United States now owns or may hereafter acquire the water power or be construed as the release or relinquishment of any rights of the United States arising under the constitutional authority of Congress to regulate or improve navigation or to provide for flood control or the production of power at any site where the United States now owns the water power.

(e) Nothing in this Act shall be construed as affecting or intending to affect or in any way interfere with or modify the laws of the States which lie wholly or in part westward of the ninety-eighth meridian, relating to the ownership and control of ground and surface waters; and the control, appropriation, use, and distribution of such waters shall continue to be in accordance with the laws of such States.

(f) In the event any lease covers lands beneath navigable waters as well as other lands the provisions of this section shall apply to such lease insofar only as it covers lands beneath navigable waters.

SEC. 4. SEAWARD BOUNDARIES.—Any State which has not already done so may extend its seaward boundaries to a line three geographical miles distant from its coast line, or in the case of the Great Lakes, to the international boundary of the United States. Any claim heretofore or hereafter asserted either by constitutional provision, statute, or otherwise, indicating the intent of a State so to extend its boundaries is hereby approved and confirmed, without prejudice to its claim, if any it has, that its boundaries extend beyond that line. Nothing in this section is to be construed as questioning or in any manner prejudicing the existence of any State's seaward boundary beyond three geographical miles if it was so provided by its constitution or laws prior to or at the time such State became a member of the Union, or if it has been heretofore or is hereafter approved by Congress.

SEC. 5. EXCEPTIONS FROM OPERATION OF SECTION 3 OF THIS ACT.—There is excepted from the operation of section 3 of this Act—

(a) all specifically described tracts or parcels of land and resources therein or improvements thereon title to which has been lawfully and expressly acquired by the United States from any State or from any person in whom title had vested under the decisions of the courts of such State, or their respective grantees, or successors in interest, by cession, grant, quitclaim, or condemnation, or from any other owner or owners thereof by conveyance or by condemnation, provided such owner or owners had lawfully acquired the title to such lands and resources in accordance with the statutes or decisions of the courts of the State in which the lands are located; and

(b) such lands beneath navigable waters within the boundaries of the respective States and such interests therein as are held by the United States in trust for the benefit of any tribe, band, or group of Indians or for individual Indians.

SEC. 6. POWERS RETAINED BY THE UNITED STATES.—(a) The United States retains all its rights in and powers of regulation and control of said lands and navigable waters for the purposes of commerce, navigation, national defense, and international affairs, except the proprietary rights of ownership and the rights of management, administration, leasing, use, development, and control of the lands and natural resources which are specifically recognized, confirmed, established, and vested in and delegated to the respective States and others by section 3 of this Act.

(b) In time of war when necessary for national defense, and the Congress or the President shall so prescribe, the United States shall have the right of first refusal to purchase at the prevailing market price, all or any portion of the said natural resources, or to acquire and use any portion of said lands by proceeding in accordance with due process of law and paying just compensation therefor.

SEC. 7. Nothing in this Act shall be deemed to amend, modify, or repeal the Acts of July 26, 1866 (14 Stat. 251), July 9, 1870 (16 Stat. 217), March 3, 1877 (19 Stat. 377), and June 17, 1902 (32 Stat. 388), and Acts amendatory thereof or supplementary thereto.

TITLE III

CONTINENTAL SHELF OUTSIDE STATE BOUNDARIES

SEC. 8. JURISDICTION OVER CONTINENTAL SHELF.—(a) It is hereby declared to be the policy of the United States that the natural resources of the subsoil and sea bed of the continental shelf appertain to the United States and are subject to its jurisdiction, control, and power of disposition as provided in this Act. Except to the extent that it is exercised in a manner inconsistent with applicable Federal laws, the police power of each coastal State may extend to that portion of the continental shelf which would be within the boundaries of such State if extended seaward to the outer margin of the continental shelf. The police power includes, but is not limited to, the power of taxation, conservation, and control of the manner of conducting geophysical explorations. This Act shall be construed in such manner that the character as high seas of the waters above the continental shelf and the right to their free and unimpeded navigation shall not be affected.

(b) Oil and gas deposits in the continental shelf shall be subject to control and

disposal only in accordauce with the provisions of this Act and no rights in or claims to such deposits, whether based upon applications filed or other action taken heretofore or hereafter, shall be recognized except in accordance with the provisions of this Act.

SEC. 9. PROVISIONS FOR LEASING OF CONTINENTAL SHELF.—(a) When requested by any responsible and qualified person interested in purchasing oil and gas leases on any area of the continental shelf not then under lease issued by the abutting State or the Federal Government, or when in the Secretary's opinion there is a demand for the purchase of such leases, the Secretary shall offer for sale, on competitive sealed bidding, oil and gas leases on such area. Subject to the other terms and provisions hereof, sales of leases shall be made to the responsible and qualified bidder bidding the highest cash bonus per leasing unit. Notice of sale of oil and gas leases shall be published at least thirty days before the date of sale in accordance with rules and regulations promulgated by the Secretary which publication shall contain (i) a description of the tracts into which the area to be leased has been subdivided by the Secretary for leasing purposes, such tracts being herein called "leasing units"; (ii) the minimum bonus per acre which will be accepted by the Secretary on each leasing unit; (iii) the amount of royalty as specified hereinafter in section 9 (d); (iv) the amount of rental per acre per annum on each leasing unit as specified hereinafter in section 9 (d); and (v) the time and place at which all bids shall be opened in public.

(b) The leasing units shall be in reasonably compact form of such area and dimensions as may be determined by the Secretary, but shall not be less than six hundred and forty acres nor more than two thousand five hundred and sixty acres if within the known geologic structure of a producing oil or gas field and shall not be less than two thousand five hundred and sixty acres nor more than seven thousand six hundred and eighty acres if not within any known geologic structure of a producing oil or gas field.

(c) Oil and gas leases sold under the provisions of this section shall be for the primary term of five years and shall continue so long thereafter as oil or gas is produced therefrom in paying quantities. Each lease shall contain provisions requiring the exercise of reasonable diligence, skill, and care in the operation of the lease, and requiring the lessee to conduct his operations thereon in accordance with sound and efficient oil-field practices to prevent waste of oil or gas discovered under said lease or the entrance of water through wells drilled by him to the oil or gas sands or oil and gas bearing strata or the injury or destruction of the oil and gas deposits.

(d) Each lease shall provide that, on or after the discovery of oil or gas, the lessee shall pay a royalty of not less than 12½ per centum in amount or value of the production saved, removed, or sold from the leasing unit and, in any event, not less than $1 per acre per annum in lieu of rental for each lease year commencing after discovery. If after discovery of oil or gas the production thereof should cease from any cause, the lease shall not terminate if lessee commences additional drilling or reworking operations within ninety days thereafter or, if it be within the primary term, commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of ninety days from date of cessation of production. All leases issued hereunder shall be conditioned upon the payment by the lessee of a rental of not less than $1 per acre per annum for the second and every lease year thereafter during the primary term and in lieu of drilling operations on or production from the leasing unit, all such rentals to be payable on or before the beginning of each lease year.

(e) If, at the expiration of the primary term of any lease, oil or gas is not being produced in paying quantities on a leasing unit, but drilling operations are commenced not less than one hundred eighty days prior to the end of the primary term and such drilling operations or other drilling operations have been and are being diligently prosecuted and the lessee has otherwise performed his obligations under the lease, the lease shall remain in force so long as drilling operations are prosecuted with reasonable diligence and in a good and workmanlike manner, and if they result in the production of oil or gas so long thereafter as oil or gas is produced therefrom in paying quantities.

(f) Should a lessee in a lease issued under the provisions of title III of this Act fail to comply with any of the provisions of this Act or of the lease, such lease may, upon proper showing, be canceled in an appropriate court proceeding

because of such failure; but before the institution of such a court proceeding the Secretary shall allow the lessee twenty days in which to show cause in writing why the proceeding should not be instituted, and any submission made by the lessee during that period shall be given consideration by the Secretary in determining whether to recommend to the Attorney General that a court proceeding be instituted against the lessee. If a lease or any interest therein is owned or controlled, directly or indirectly, in violation of any of the provisions of this Act, the lease may be canceled, or the interest so owned or controlled may be forfeited or the person so owning or controlling the interest may be compelled to dispose of the interest in an appropriate court proceeding.

(g) The provisions of sections 17, 17 (b), 28, 30, 30 (a), 30 (b), 32, 36, and 39 of the Mineral Leasing Act to the extent that such provisions are not inconsistent with the terms of this Act, are made applicable to lands leased or subject to lease by the Secretary under title III of this Act.

(h) Each lease shall contain such other terms and provisions consistent with the provisions of this Act as may be prescribed by the Secretary. The Secretary may delegate his authority under this Act to officers or employees of the Department of the Interior and may authorize subdelegation to the extent that he may deem proper.

(i) Citizens of another country, the laws, customs, or regulations of which deny similar or like privileges to citizens or corporations of this country, shall not directly or by stock ownership, stock holding, stock control, trusteeship, or otherwise, own or control any interest in any lease acquired under the provisions of this section. Any ownership or interest forbidden in this section which may be acquired by descent, will, judgment, or decree may be held for two years and not longer after its acquisition. No lands leased under the provisions of this section shall be subleased, trusteed, possessed, or controlled by any device or in any manner whatsoever so that they form a part of or are in anywise controlled by any combination in the form of an unlawful trust, with the consent of the lessee, or form the subject in whole or in part of any contract, agreement, understanding, or conspiracy, entered into by the lessee, to restrain trade or commerce in the production or sale of oil or gas or to control the price of oil or gas.

(j) Any lease obtained through the exercise of fraud or misrepresentation, or which is not performed in accordance with its terms or with this law, may by appropriate court action be invalidated.

SEC. 10. EXCHANGE OF EXISTING STATE LEASES IN CONTINENTAL SHELF FOR FEDERAL LEASES.—(a) The Secretary is authorized and directed to issue a lease to any person in exchange for a lease covering lands in the continental shelf which (i) was issued by any State or its grantee prior to January 1, 1949, and which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, or (ii) was issued with the approval of the Secretary subsequent to January 1, 1949, and prior to the effective date of this Act and which on the effective date hereof was in force and effect in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease. Any lease issued pursuant to this section shall be for a term from the effective date hereof equal to the unexpired term of the old lease, or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, the same: *Provided, however*, That, if oil or gas was not being produced from such old lease on and before December 11, 1950, then any such new lease shall be for a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provisions of the old lease or any extensions, renewals or replacements authorized therein or heretofore authorized by the laws of the State issuing or whose grantee issued such lease, shall cover the same natural resources and the same portion of the continental shelf as the old lease, shall provide for payment to the United States of the same rentals, royalties, and other payments as are provided for in the old lease, and shall include such other terms and provisions, consistent with the provisions of this Act, as may be prescribed by the Secretary. Operations under such old lease may be conducted as therein provided until the issuance of an exchange lease hereunder or until it is determined that no such exchange lease shall be issued. No lease which has been determined by appropriate court action to have been obtained by fraud or misrepresentation shall be accepted for exchange under this section.

(b) No such exchange lease shall he issued unless, (i) an application therefor, accompanied hy a copy of the lease from the State or its political subdivision or grantee offered in exchange, is filed with the Secretary within six months from the effective date of this Act, or within such further period as provided in section 17 hereof, or as may be fixed from time to time by the Secretary; (ii) the applicant states in his application that the lease applied for shall be subject to the same overriding royalty obligations as the lease issued by the State or its political subdivision or grantee; (iii) the applicant pays to the United States all rentals, royalties, and other sums due to the lessor under the old lease which have or may become payable after December 11, 1950, and which have not been paid to the lessor or to the Secretary under the old lease; (iv) the applicant furnishes such surety bond, if any, as the Secretary may require and complies with such other reasonable requirements as the Secretary may deem necessary to protect the interests of the United States; and (v) the applicant files with the Secretary a certificate issued by the State official or agency having jurisdiction showing that the old lease was in force and effect in accordance with its terms and provisions and the laws of the State issuing it on the applicable date provided for in paragraph (a) of this section; or, in the absence of such certificate, evidence in the form of affidavit, receipts, canceled checks, and other documents showing such facts.

(c) All rentals, royalties, and other sums payable under any such lease after December 11, 1950, and before the issuance of an exchange lease as herein provided, may be paid to the United States, subject, however, to accounting to the State which issued such lease or under whose authority the same was issued, in accordance with the provisions of section 12 hereof.

(d) In the event any lease covers lands of the continental shelf as well as other lands, the provisions of this section shall apply to such lease insofar only as it covers lands of the continental shelf.

SEC. 11. ACTIONS INVOLVING CONTINENTAL SHELF.—Any court proceeding involving the continental shelf may be instituted in the United States district court for the district in which the lessee, or the person owning or controlling the lease interest, may be found or for the district in which the leased property, or some part thereof, is located; or, if no part of the leased property is within any district, for the district nearest to the property involved.

SEC. 12. DIVISION OF PROCEEDS FROM THE CONTINENTAL SHELF.—Each coastal State is hereby vested with the right to 37½ per centum of all moneys received by the United States, after the effective date of this Act, as bonus payments, rentals, and royalties with respect to operations for oil, gas, or other minerals in lands in the continental shelf which would be within the boundaries of such State, if extended seaward to the outer margin of the continental shelf; and the Secretary of the Treasury within ninety days after the expiration of each fiscal year shall pay to each such State the moneys to which it is so entitled. All other moneys received by the United States from operations in the continental shelf, under the provisions of this Act, shall be paid into the Treasury of the United States and applied to the payment of the principal of the national debt. If and whenever the United States shall take and receive in kind all or any part of the royalties referred to in this section, the value of such royalties so taken in kind shall be deemed to be the prevailing market price thereof at the time and place of production, and there shall be paid to the State entitled thereto as provided in this section, 37½ per centum of the value of such royalties.

SEC. 13. REFUNDS.—When it appears to the satisfaction of the Secretary that any person has made a payment to the United States in connection with any lease under this Act in excess of the amount he was lawfully required to pay, such excess shall be repaid to such person or his legal representative, if a request for repayment of such excess is filed with the Secretary within two years after the issuance of the lease or the making of the payment. The Secretary shall certify the amounts of all such repayments to the Secretary of the Treasury, who is authorized and directed to make such repayments out of any moneys not otherwise appropriated and to issue his warrant in settlement thereof.

SEC. 14. WAIVER OF LIABILITY FOR PAST OPERATIONS.—(a) No State, or political subdivision, grantee, or lessee, shall be liable to or required to account to the United States in any way for entering upon, using, exploring for, developing, producing, or disposing of natural resources from lands of the continental shelf prior to December 11, 1950.

(b) If it shall be determined by appropriate court action that fraud has been practiced in the obtaining of any lease referred to herein or in the operations thereunder, the waivers provided in this section shall not be effective.

SEC. 15. POWERS RESERVED TO THE UNITED STATES.—The United States reserves and retains—

(a) in time of war or when necessary for national defense, and when so prescribed by the Congress or the President, the right (i) of first refusal to purchase at the prevailing market price all or any portion of the oil or gas that may be produced from the continental shelf; (ii) to terminate any lease issued or authorized pursuant to or validated by title III of this Act, in which event the United States shall become the owner of wells, fixtures, and improvements located on the area of such lease and shall be liable to the lessee for just compensation for such leaseholds, wells, fixtures, and improvements, to be determined as in the case of condemnation; (iii) to suspend operations under any lease issued or authorized pursuant to or validated by title III of this Act, in which event the United States shall be liable to the lessee for such compensation as is required to be paid under the Constitution of the United States; and payment of rentals, minimum royalty, and royalty prescribed by such lease shall likewise be suspended during any period of suspension of operations, and the term of any suspended lease shall be extended by adding thereto any suspension period;

(b) the right to designate by and through the Secretary of Defense, with the approval of the President, as restricted, those areas of the continental shelf needed for navigational purposes or for national defense; and so long as such designation remains in effect no exploration or operations may be conducted on any part of the surface of such area except with the concurrence of the Secretary of Defense; and if operations or production under any lease theretofore issued on lands within any such restricted area shall be suspended, any payment of rentals, minimum royalty, and royalty prescribed by such lease likewise shall be suspended during such period of suspension of operation and production, and the term of such lease shall be extended by adding thereto any such suspension period, and the United States shall be liable to the lessee for such compensation as is required to be paid under the Constitution of the United States;

(c) the ownership of and the right to extract helium from all gas produced from the continental shelf, subject to any lease issued pursuant to or validated by this Act under such general rules and regulations as shall be prescribed by the Secretary, but in the extraction of helium from such gas it shall be so extracted as to cause no substantial delay in the delivery of gas produced to the purchaser of such gas.

SEC. 16. GEOLOGICAL AND GEOPHYSICAL EXPLORATIONS.—The right of any person, subject to applicable provisions of law, and of any agency of the United States to conduct geological and geophysical explorations in the continental shelf, which do not interfere with or endanger actual operations under any lease issued pursuant to this Act is hereby recognized.

SEC. 17. INTERPLEADER AND INTERIM ARRANGEMENTS.—(a) Notwithstanding the other provisions of this Act, if any lessee under any lease of submerged lands granted by any State, its political subdivisions, or grantees, prior to the effective date of this Act, shall file with the Secretary a certificate executed by such lessee under oath and stating that doubt exists (i) as to whether an area covered by such lease lies within the continental shelf, or (ii) as to whom the rentals, royalties, or other sums payable under such lease are lawfully payable, or (iii) as to the validity of the claims of the State which issued, or whose political subdivision or grantee issued, such lease to the area covered by the lease and that such claims have not been determined by a final judgment of a court of competent jurisdiction—

(1) the lessee may interplead the United States and, with their consent, the State or States concerned, in an action filed in the United States district court having jurisdiction of any part of the area, and, in the event of State consent to be interpleaded, deposit with the clerk of that court all rentals, royalties, and other sums payable under such lease after filing of such certificate, and such deposit shall be full performance of the lessee's obligation under such lease to make such payments; or

(2) the lessee may continue to pay all rentals, royalties, and other sums payable under such lease to the State, its political subdivisions, or grantees, as in the lease provided, until it is determined by final judgment of a court of competent jurisdiction that such rentals, royalties, and other sums should be paid otherwise, and thereafter such rentals, royalties, and other sums shall be paid by said lessee in accordance with the determination of such

final judgment. In the event it shall be determined by such final judgment that the United States is entitled to any moneys theretofore paid to any State or political subdivision or grantee thereof, such State, its political subdivision, or grantee, as the case may be, shall promptly account to the United States therefor; and

(3) the lessee of any such lease may file application for an exchange lease under section 10 hereof at any time prior to the expiration of six months after it is determined by final judgment of a court of competent jurisdiction that the claims of the State which issued, or whose political subdivision or grantee issued, such lease to the area covered by the lease are invalid as against the United States and that the lands covered by such lease are within the continental shelf.

(b) If any area of the continental shelf or other lands covered by this Act included in any lease issued by a State or its political subdivision or grantee is involved in litigation between the United States and such State, its political subdivision, or grantee, the lessee in such lease shall have the right to intervene in such action and deposit with the clerk of the court in which such case is pending any rentals, royalties, and other sums payable under the lease subsequent to the effective date of this Act, and such deposit shall be full discharge and acquittance of the lessee for any payment so made.

TITLE IV

GENERAL

SEC. 18. SEPARABILITY.—If any provision of this Act, or any section, subsection, sentence, clause, phrase, or individual word, or the application thereof to any person or circumstance is held invalid, the validity of the remainder of the Act and of the application of any such provision, section, subsection, sentence, clause, phrase, or individual word to other persons and circumstances shall not be affected thereby; without limiting the generality of the foregoing, if subsection 3 (a) 1, 3 (a) 2, 3 (b) 1, 3 (b) 2, 3 (b) 3, or 3 (c) or any provision of any of those subsections is held invalid, such subsection or provision shall be held separable and the remaining subsections and provisions shall not be affected thereby.

[H. R. 1422, 83d Cong., 1st sess.]

A BILL To confirm and establish the titles of the States to lands beneath navigable waters within State boundaries and to the natural resources within such lands and waters, to provide for the use and control of said lands and resources, and to provide for the use, control, exploration, development, and conservation of certain resources of the continental shelf lying outside of State boundaries

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Submerged Lands Act."

TITLE I

DEFINITIONS

SEC. 2. When used in this Act—

(a) The term "lands beneath navigable waters" includes (1) all lands within the boundaries of each of the respective States which were covered by waters navigable under the laws of the United States at the time such State became a member of the Union, and all lands permanently or periodically covered by tidal waters up to but not above the line of mean high tide and seaward to a line three geographical miles distant from the coast line of each such State and to the boundary line of each such State where in any case such boundary as it existed at the time such State became a member of the Union, or as heretofore or hereafter approved by Congress, extends seaward (or into the Great Lakes or Gulf of Mexico) beyond three geographical miles, and (2) all filled in, made, or reclaimed lands which formerly were lands beneath navigable waters, as herein defined; the term "boundaries" includes the seaward boundaries of a State or its boundaries in the Gulf of Mexico or any of the Great Lakes as they existed at the time such State became a member of the Union, or as heretofore or hereafter approved by the Congress, or as extended or confirmed pursuant to section 4 hereof;

(b) The term "coast line" means the line of ordinary low water along that portion of the coast which is in direct contact with the open sea and the line marking the seaward limit of inland waters, which include all estuaries, ports, harbors, bays, channels, straits, historic bays, and sounds, and all other bodies of water which join the open sea;

(c) The terms "grantees" and "lessees" include (without limiting the generality thereof) all political subdivisions, municipalities, public and private corporations, and other persons holding grants or leases from a State, or its predecessor sovereign, to lands beneath navigable waters if such grants or leases were issued in accordance with the constitution, statutes, and decisions of the courts of the State in which such lands are situated, or of its predecessor sovereign: *Provided, however*, That nothing herein shall be construed as conferring upon said grantees or lessees any greater rights or interests other than are described herein and in their respective grants from the State, or its predecessor sovereign;

(d) The term "natural resources" shall include, without limiting the generality thereof, oil, gas, and all other minerals, and fish, shrimp, oysters, clams, crabs, lobsters, sponges, kelp, and other marine animal and plant life but shall not include water power or the use of water for the production of power at any site where the United States now owns the water power;

(e) The term "lands beneath navigable waters" shall not include the beds of streams in lands now or heretofore constituting a part of the public lands of the United States if such streams were not meandered in connection with the public survey of such lands under the laws of the United States;

(f) The term "continental shelf" means all submerged lands (1) which lie outside and seaward of lands beneath navigable waters as defined hereinabove in section 2 (a), and (2) of which the subsoil and natural resources appertain to the United States and are subject to its jurisdiction and control;

(g) The term "Secretary" means the Secretary of the Interior;

(h) The term "State" means any State of the Union;

(i) The term "coastal States" shall mean those States, any portion of which borders upon the Atlantic Ocean, the Gulf of Mexico, or the Pacific Ocean;

(j) The term "person" includes any citizen of the United States, an association of such citizens, a State, a political subdivision of a State, or a private, public, or municipal corporation organized under the laws of the United States or of any State;

(k) The term "lease" whenever used with reference to action by a State or its political subdivision or grantee shall be regarded as including any form of authorization for the use, development, or production of lands beneath navigable waters or lands of the continental shelf and the natural resources therein and thereunder, and the term "lessee" whenever used in such connection, shall be regarded as including any person having the right to develop or produce natural resources and any person having the right to use or develop lands beneath navigable waters or lands of the continental shelf under any such form of authorization;

(l) The term "Mineral Leasing Act" shall mean the Act of February 25, 1920 (41 Stat. 437; 30 U. S. C., sec. 181 and the following), and all Acts heretofore enacted which are amendatory thereof or supplementary thereto.

TITLE II

LANDS BENEATH NAVIGABLE WATERS WITHIN STATE BOUNDARIES

SEC. 3. RIGHTS OF THE STATES.—(a) It is hereby determined and declared to be in the public interest that (1) title to and ownership of the lands beneath navigable waters within the boundaries of the respective States, and the natural resources within such lands and waters, and (2) the right and power to manage, administer, lease, control, develop, and use the said natural resources all in accordance with applicable State law be, and they are hereby, subject to the provisions hereof, severally recognized, confirmed, established, vested in and/or delegated to the respective States or the persons who were on June 5, 1950, entitled thereto under the law of the respective States in which the land is located, and the respective grantees, lessees, or successors in interest thereof.

(b) (1) The United States hereby releases and relinquishes unto said States and persons aforesaid all right, title, and interest of the United States, if any it has, in and to all said lands, moneys, improvements, and natural resources; (2) the United States hereby releases and relinquishes all claims of the United States, if any it has, arising out of any operations of said States or persons

pursuant to State authority upon or within said lands and navigable waters; and (3) the Secretary or the Treasurer of the United States shall pay to the respective States or their grantees issuing leases covering such lands or natural resources all moneys paid or tendered thereunder to the Secretary or to the Treasurer of the United States and subject to the control of either of them or to the control of the United States on the effective date of this Act, except that portion of such moneys which the Secretary is obligated to return to a lessee who does not consent to such payment.

(c) The rights, powers, and titles hereby recognized, confirmed, established, vested in and delegated to the respective States and their grantees are subject to each lease executed by a State, or its grantee, which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, and such rights, powers, and titles are further subject to the rights herein now granted to any person holding any such lease to continue to maintain the lease, and to conduct operations thereunder, in accordance with its provisions, for the full term thereof, and any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued such lease: *Provided, however*, That, if oil or gas was not being produced from such lease on and before December 11, 1950, or if the primary term of such lease has expired since December 11, 1950, then for a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provisions of such lease or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the States issuing, or whose grantee issued, such lease: *Provided, however*, That within 90 days from the effective date hereof (i) the lessee shall pay to the State or its grantee issuing such lease all rentals, royalties, and other sums payable between June 5, 1950, and the effective date hereof under such lease and the laws of the State issuing or whose grantee issued such lease, except such rentals, royalties and other sums as have been paid to the State, its grantee, the Secretary or the Treasury of the United States and not refunded to the lessee; and (ii) the lessee shall file with the Secretary and with the State issuing or whose grantee issued such lease, instruments consenting to the payment by the Secretary or the Treasury of the United States to the State or its grantee issuing the lease, of all rentals, royalties and other payments under the control of the Secretary, the Treasurer, or the United States which have been paid under the lease, except such rentals, royalties and other payments as have also been paid by the lessee to the State or its grantee.

(d) Nothing in this Act shall affect the use, development, improvement, or control by or under the constitutional authority of the United States of said lands and waters for the purposes of navigation or flood control or the production of power at any site where the United States now owns or may hereafter acquire the water power or be construed as the release or relinquishment of any rights of the United States arising under the constitutional authority of Congress to regulate or improve navigation or to provide for flood control or the production of power at any site where the United States now owns the water power.

(e) Nothing in this Act shall be construed as affecting or intending to affect or in any way interfere with or modify the laws of the States which lie wholly or in part westward of the ninety-eighth meridian, relating to the ownership and control of ground and surface waters; and the control, appropriation, use, and distribution of such waters shall continue to be in accordance with the laws of such States.

(f) In the event any lease covers lands beneath navigable waters as well as other lands the provisions of this section shall apply to such lease insofar only as it covers lands beneath navigable waters.

SEC. 4. SEAWARD BOUNDARIES.—Any State which has not already done so may extend its seaward boundaries to a line three geographical miles distant from its coast line, or in the case of the Great Lakes, to the international boundary of the United States. Any claim heretofore or hereafter asserted either by constitutional provision, statute, or otherwise, indicating the intent of a State so to extend its boundaries is hereby approved and confirmed, without prejudice to its claim, if any it has, that its boundaries extend beyond that line. Nothing in this section is to be construed as questioning or in any manner prejudicing the existence of any State's seaward boundary beyond three geographical miles if it was so provided by its constitution or laws prior to or at the time such State became a member of the Union, or if it has been heretofore or is hereafter approved by Congress.

SEC. 5. EXCEPTIONS FROM OPERATION OF SECTION 3 OF THIS ACT.—There is excepted from the operation of section 3 of this Act—

(a) all specifically described tracts or parcels of land and resources therein or improvements thereon title to which has been lawfully and expressly acquired by the United States from any State or from any person in whom title had vested under the decisions of the courts of such State, or their respective grantees, or successors in interest, by cession, grant, quitclaim, or condemnation, or from any other owner or owners thereof by conveyance or by condemnation, provided such owner or owners had lawfully acquired the title to such lands and resources in accordance with the statutes or decisions of the courts of the State in which the lands are located; and

(b) such lands beneath navigable waters within the boundaries of the respective States and such interests therein as are held by the United States in trust for the benefit of any tribe, band, or group of Indians or for individual Indians.

SEC. 6. POWERS RETAINED BY THE UNITED STATES.—(a) The United States retains all its rights in and powers of regulation and control of said lands and navigable waters for the purposes of commerce, navigation, national defense, and international affairs, except the proprietary rights of ownership and the rights of management, administration, leasing, use, development, and control of the lands and natural resources which are specifically recognized, confirmed, established, and vested in and delegated to the respective States and others by section 3 of this Act.

(b) In time of war when necessary for national defense, and the Congress or the President shall so prescribe, the United States shall have the right of first refusal to purchase at the prevailing market price, all or any portion of the said natural resources, or to acquire and use any portion of said lands by proceeding in accordance with due process of law and paying just compensation therefor.

SEC. 7. Nothing in this Act shall be deemed to amend, modify, or repeal the Acts of July 26, 1866 (14 Stat. 251), July 9, 1870 (16 Stat. 217), March 3, 1877 (19 Stat. 377), and June 17, 1902 (32 Stat. 388), and Acts amendatory thereof or supplementary thereto.

TITLE III

CONTINENTAL SHELF OUTSIDE STATE BOUNDARIES

SEC. 8. JURISDICTION OVER CONTINENTAL SHELF.—(a) It is hereby declared to be the policy of the United States that the natural resources of the subsoil and sea bed of the continental shelf appertain to the United States and are subject to its jurisdiction, control, and power of disposition as provided in this Act. Except to the extent that it is exercised in a manner inconsistent with applicable Federal laws, the police power of each coastal State may extend to that portion of the continental shelf which would be within the boundaries of such State if extended seaward to the outer margin of the continental shelf. The police power includes, but is not limited to, the power of taxation, conservation, and control of the manner of conducting geophysical explorations. This Act shall be construed in such manner that the character as high seas of the waters above the continental shelf and the right to their free and unimpeded navigation shall not be affected.

(b) Oil and gas deposits in the continental shelf shall be subject to control and disposal only in accordance with the provisions of this Act and no rights in or claims to such deposits, whether based upon applications filed or other action taken heretofore or hereafter, shall be recognized except in accordance with the provisions of this Act.

SEC. 9. PROVISIONS FOR LEASING OF CONTINENTAL SHELF.—(a) When requested by any responsible and qualified person interested in purchasing oil and gas leases on any area of the continental shelf not then under lease issued by the abutting State or the Federal Government, or when in the Secretary's opinion there is a demand for the purchase of such leases, the Secretary shall offer for sale, on competitive sealed bidding, oil and gas leases on such area. Subject to the other terms and provisions hereof, sales of leases shall be made to the responsible and qualified bidder bidding the highest cash bonus per leasing unit. Notice of sale of oil and gas leases shall be published at least thirty days before the date of sale in accordance with rules and regulations promulgated by the Secretary,

which publication shall contain (i) a description of the tracts into which the area to be leased has been subdivided by the Secretary for leasing purposes, such tracts being herein called "leasing units"; (ii) the minimum bonus per acre which will be accepted by the Secretary on each leasing unit; (iii) the amount of royalty as specified hereinafter in section 9 (d); (iv) the amount of rental per acre per annum on each leasing unit as specified hereinafter in section 9 (d); and (v) the time and place at which all bids shall be opened in public.

(b) The leasing units shall be in reasonably compact form of such area and dimensions as may be determined by the Secretary, but shall not be less than six hundred and forty acres nor more than two thousand five hundred and sixty acres if within the known geologic structure of a producing oil or gas field and shall not be less than two thousand five hundred and sixty acres nor more than seven thousand six hundred and eighty acres if not within any known geologic structure of a producing oil or gas field.

(c) Oil and gas leases sold under the provisions of this section shall be for the primary term of five years and shall continue so long thereafter as oil or gas is produced therefrom in paying quantities. Each lease shall contain provisions requiring the exercise of reasonable diligence, skill, and care in the operation of the lease, and requiring the lessee to conduct his operations thereon in accordance with sound and efficient oil-field practices to prevent waste of oil or gas discovered under said lease or the entrance of water through wells drilled by him to the oil or gas sands or oil and gas bearing strata or the injury or destruction of the oil and gas deposits.

(d) Each lease shall provide that, on or after the discovery of oil or gas, the lessee shall pay a royalty of not less than 12½ per centum in amount or value of the production saved, removed, or sold from the leasing unit and, in any event, not less than $1 per acre per annum in lieu of rental for each lease year commencing after discovery. If after discovery of oil or gas the production thereof should cease from any cause, the lease shall not terminate if lessee commences additional drilling or reworking operations within ninety days thereafter or, if it be within the primary term, commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of ninety days from date of cessation of production. All leases issued hereunder shall be conditioned upon the payment by the lessee of a rental of not less than $1 per acre per annum for the second and every lease year thereafter during the primary term and in lieu of drilling operations on or production from the leasing unit, all such rentals to be payable on or before the beginning of each lease year.

(e) If, at the expiration of the primary term of any lease, oil or gas is not being produced in paying quantities on a leasing unit, but drilling operations are commenced not less than one hundred eighty days prior to the end of the primary term and such drilling operations or other drilling operations have been and are being diligently prosecuted and the lessee has otherwise performed his obligations under the lease, the lease shall remain in force so long as drilling operations are prosecuted with reasonable diligence and in a good and workmanlike manner, and if they result in the production of oil or gas so long thereafter as oil or gas is produced therefrom in paying quantities.

(f) Should a lessee in a lease issued under the provisions of title III of this Act fail to comply with any of the provisions of this Act or of the lease, such lease may, upon proper showing, be canceled in an appropriate court proceeding because of such failure; but before the institution of such a court proceeding the Secretary shall allow the lessee twenty days in which to show cause in writing why the proceeding should not be instituted, and any submission made by the lessee during that period shall be given consideration by the Secretary in determining whether to recommend to the Attorney General that a court proceeding be instituted against the lessee. If a lease or any interest therein is owned or controlled, directly or indirectly, in violation of any of the provisions of this Act, the lease may be canceled, or the interest so owned or controlled may be forfeited or the person so owning or controlling the interest may be compelled to dispose of the interest in an appropriate court proceeding.

(g) The provisions of sections 17, 17 (b), 28, 30, 30 (a), 30 (b), 32, 36, and 39 of the Mineral Leasing Act to the extent that such provisions are not inconsistent with the terms of this Act, are made applicable to lands leased or subject to lease by the Secretary under title III of this Act.

(h) Each lease shall contain such other terms and provisions consistent with the provisions of this Act as may be prescribed by the Secretary. The Secretary may delegate his authority under this Act to officers or employees of the Depart-

ment of the Interior and may authorize subdelegation to the extent that he may deem proper.

(i) Citizens of another country, the laws, customs, or regulations of which deny similar or like privileges to citizens or corporations of this country, shall not directly or by stock ownership, stock holding, stock control, trusteeship, or otherwise, own or control any interest in any lease acquired under the provisions of this section. Any ownership or interest forbidden in this section which may be acquired by descent, will, judgment, or decree may be held for two years and not longer after its acquisition. No lands leased under the provisions of this section shall be subleased, trusteed, possessed, or controlled by any device or in any manner whatsoever so that they form a part of or are in anywise controlled by any combination in the form of an unlawful trust, with the consent of the lessee, or form the subject in whole or in part of any contract, agreement, understanding, or conspiracy, entered into by the lessee, to restrain trade or commerce in the production or sale of oil or gas or to control the price of oil or gas.

(j) Any lease obtained through the exercise of fraud or misrepresentation, or which is not performed in accordance with its terms or with this law, may by appropriate court action be invalidated.

SEC. 10. EXCHANGE OF EXISTING STATE LEASES IN CONTINENTAL SHELF FOR FEDERAL LEASES.—(a) The Secretary is authorized and directed to issue a lease to any person in exchange for a lease covering lands in the continental shelf which (i) was issued by any State or its grantee prior to January 1, 1949, and which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, or (ii) was issued with the approval of the Secretary subsequent to January 1, 1949, and prior to the effective date of this Act and which on the effective date hereof was in force and effect in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease. Any lease issued pursuant to this section shall be for a term from the effective date hereof equal to the unexpired term of the old lease, or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, the same: *Provided, however*, That, if oil or gas was not being produced from such old lease on and before December 11, 1950, then any such new lease shall be for a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provisions of the old lease or any extensions, renewals or replacements authorized therein or heretofore authorized by the laws of the State issuing or whose grantee issued such lease, shall cover the same natural resources and the same portion of the continental shelf as the old lease, shall provide for payment to the United States of the same rentals, royalties, and other payments as are provided for in the old lease, and shall include such other terms and provisions, consistent with the provisions of this Act, as may be prescribed by the Secretary. Operations under such old lease may be conducted as therein provided until the issuance of an exchange lease hereunder or until it is determined that no such exchange lease shall be issued. No lease which has been determined by appropriate court action to have been obtained by fraud or misrepresentation shall be accepted for exchange under this section.

(b) No such exchange lease shall be issued unless, (i) an application therefor, accompanied by a copy of the lease from the State or its political subdivision or grantee offered in exchange, is filed with the Secretary within six months from the effective date of this Act, or within such further period as provided in section 17 hereof, or as may be fixed from time to time by the Secretary; (ii) the applicant states in his application that the lease applied for shall be subject to the same overriding royalty obligations as the lease issued by the State or its political subdivision or grantee; (iii) the applicant pays to the United States all rentals, royalties, and other sums due to the lessor under the old lease which have or may become payable after December 11, 1950, and which have not been paid to the lessor or to the Secretary under the old lease; (iv) the applicant furnishes such surety bond, if any, as the Secretary may require and complies with such other reasonable requirements as the Secretary may deem necessary to protect the interests of the United States; and (v) the applicant files with the Secretary a certificate issued by the State official or agency having jurisdiction showing that the old lease was in force and effect in accordance with its terms and provisions and the laws of the State issuing it on the applicable date provided for in paragraph (a) of this section; or, in the absence of such certificate, evidence in the form of affidavit, receipts, canceled checks, and other documents showing such facts.

(c) All rentals, royalties, and other sums payable under any such lease after December 11, 1950, and before the issuance of an exchange lease as herein provided, may be paid to the United States, subject, however, to accounting to the State which issued such lease or under whose authority the same was issued, in accordance with the provisions of section 12 hereof.

(d) In the event any lease covers lands of the continental shelf as well as other lands, the provisions of this section shall apply to such lease insofar only as it covers lands of the continental shelf.

SEC. 11. ACTIONS INVOLVING CONTINENTAL SHELF.—Any court proceeding involving the continental shelf may be instituted in the United States district court for the district in which the lessee, or the person owning or controlling the lease interest, may be found or for the district in which the leased property, or some part thereof, is located; or, if no part of the leased property is within any district, for the district nearest to the property involved.

SEC. 12. DIVISION OF PROCEEDS FROM THE CONTINENTAL SHELF.—Each coastal State is hereby vested with the right to 37½ per centum of all moneys received by the United States, after the effective date of this Act, as bonus payments, rentals, and royalties with respect to operations for oil, gas, or other minerals in lands in the continental shelf which would be within the boundaries of such State, if extended seaward to the outer margin of the continental shelf; and the Secretary of the Treasury within ninety days after the expiration of each fiscal year shall pay to each such State the moneys to which it is so entitled. All other moneys received by the United States from operations in the continental shelf, under the provisions of this Act, shall be paid into the Treasury of the United States and applied to the payment of the principal of the national debt. If and whenever the United States shall take and receive in kind all or any part of the royalties referred to in this section, the value of such royalties so taken in kind shall be deemed to be the prevailing market price thereof at the time and place of production, and there shall be paid to the State entitled thereto as provided in this section, 37½ per centum of the value of such royalties.

SEC. 13. REFUNDS.—When it appears to the satisfaction of the Secretary that any person has made a payment to the United States in connection with any lease under this Act in excess of the amount he was lawfully required to pay, such excess shall be repaid to such person or his legal representative, if a request for repayment of such excess is filed with the Secretary within two years after the issuance of the lease or the making of the payment. The Secretary shall certify the amounts of all such repayments to the Secretary of the Treasury, who is authorized and directed to make such repayments out of any moneys not otherwise appropriated and to issue his warrant in settlement thereof.

SEC. 14. WAIVER OF LIABILITY FOR PAST OPERATIONS.—(a) No State, or political subdivision, grantee, or lessee, shall be liable to or required to account to the United States in any way for entering upon, using, exploring for, developing, producing, or disposing of natural resources from lands of the continental shelf prior to December 11, 1950.

(b) If it shall be determined by appropriate court action that fraud has been practiced in the obtaining of any lease referred to herein or in the operations thereunder, the waivers provided in this section shall not be effective.

SEC. 15. POWERS RESERVED TO THE UNITED STATES.—The United States reserves and retains—

(a) in time of war or when necessary for national defense, and when so prescribed by the Congress or the President, the right (i) of first refusal to purchase at the prevailing market price all or any portion of the oil or gas that may be produced from the continental shelf; (ii) to terminate any lease issued or authorized pursuant to or validated by title III of this Act, in which event the United States shall become the owner of wells, fixtures, and improvements located on the area of such lease and shall be liable to the lessee for just compensation for such leaseholds, wells, fixtures, and improvements, to be determined as in the case of condemnation; (iii) to suspend operations under any lease issued or authorized pursuant to or validated by title III of this Act, in which event the United States shall be liable to the lessee for such compensation as is required to be paid under the Constitution of the United States; and payment of rentals, minimum royalty, and royalty prescribed by such lease shall likewise be suspended during any period of suspension of operations, and the term of any suspended lease shall be extended by adding thereto any suspension period;

(b) the right to designate by and through the Secretary of Defense, with the approval of the President, as restricted, those areas of the con-

tinental shelf needed for navigational purposes or for national defense; and so long as such designation remains in effect no exploration or operations may be conducted on any part of the surface of such area except with the concurrence of the Secretary of Defense; and if operations or production under any lease theretofore issued on lands within any such restricted area shall be suspended, any payment of rentals, minimum royalty, and royalty prescribed by such lease likewise shall be suspended during such period of suspension of operation and production, and the term of such lease shall be extended by adding thereto any such suspension period, and the United States shall be liable to the lessee for such compensation as is required to be paid under the Constitution of the United States;

(c) the ownership of and the right to extract helium from all gas produced from the continental shelf subject to any lease issued pursuant to or validated by this Act under such general rules and regulations as shall be prescribed by the Secretary, but in the extraction of helium from such gas it shall be so extracted as to cause no substantial delay in the delivery of gas produced to the purchaser of such gas.

SEC. 16. GEOLOGICAL AND GEOPHYSICAL EXPLORATIONS.—The right of any person, subject to applicable provisions of law, and of any agency of the United States to conduct geological and geophysical explorations in the continental shelf, which do not interefere with or endanger actual operations under any lease issued pursuant to this Act is hereby recognized.

SEC. 17. INTERPLEADER AND INTERIM ARRANGEMENTS.—(a) Notwithstanding the other provisions of this Act, if any lessee under any lease of submerged lands granted by any State, its political subdivisions, or grantees, prior to the effective date of this Act, shall file with the Secretary a certificate executed by such lessee under oath and stating that doubt exists (i) as to whether an area covered by such lease lies within the continental shelf, or (ii) as to whom the rentals, royalties, or other sums payable under such lease are lawfully payable, or (iii) as to the validity of the claims of the State which issued, or whose political subdivision or grantee issued, such lease to the area covered by the lease and that such claims have not been determined by a final judgment of a court of competent jurisdiction—

(1) the lessee may interplead the United States and, with their consent, the State or States concerned, in an action filed in the United States district court having jurisdiction of any part of the area, and, in the event of State consent to be interpleaded, deposit with the clerk of that court all rentals, royalties, and other sums payable under such lease after filing of such certificate, and such deposit shall be full performance of the lessee's obligation under such lease to make such payments; or

(2) the lessee may continue to pay all rentals, royalties, and other sums payable under such lease to the State, its political subdivisions, or grantees, as in the lease provided, until it is determined by final judgment of a court of competent jurisdiction that such rentals, royalties, and other sums should be paid otherwise, and thereafter such rentals, royalties, and other sums shall be paid by said lessee in accordance with the determination of such final judgment. In the event it shall be determined by such final judgment that the United States is entitled to any moneys theretofore paid to any State or political subdivision or grantee thereof, such State, its political subdivision, or grantee, as the case may be, shall promptly account to the United States therefor; and

(3) the lessee of any such lease may file application for an exchange lease under section 10 hereof at any time prior to the expiration of six months after it is determined by final judgment of a court of competent jurisdiction that the claims of the State which issued, or whose political subdivision or grantee issued, such lease to the area covered by the lease are invalid as against the United States and that the lands covered by such lease are within the continental shelf.

(b) If any area of the continental shelf or other lands covered by this Act included in any lease issued by a State or its political subdivision or grantee is involved in litigation between the United States and such State, its political subdivision, or grantee, the lessee in such lease shall have the right to intervene in such action and deposit with the clerk of the court in which such case is pending any rentals, royalties, and other sums payable under the lease subsequent to the effective date of this Act, and such deposit shall be full discharge and acquittance of the lessee for any payment so made.

TITLE IV

GENERAL

SEC. 18. SEPARABILITY.—If any provision of this Act, or any section, subsection, sentence, clause, phrase, or individual word, or the application thereof to any person or circumstance is held invalid, the validity of the remainder of the Act and of the application of any such provision, section, subsection, sentence, clause, phrase, or individual word to other persons and circumstances shall not be affected thereby; without limiting the generality of the foregoing, if subsection 3 (a), 1, 3 (a) 2, 3 (b) 1, 3 (b) 2, 3 (b) 3, or 3 (c) or any provision of any of those subsections is held invalid, such subsection or provision shall be held separable and the remaining subsections and provisions shall not be affected thereby.

[H. R. 1711, 83d Cong., 1st sess.]

A BILL To confirm and establish the titles of the States to lands beneath navigable waters within State boundaries and to the natural resources within such lands and waters, to provide for the use and control of said lands and resources, and to provide for the use, control, exploration, development, and conservation of certain resources of the continental shelf lying outside of State boundaries

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Submerged Lands Act".

TITLE I

DEFINITION

SEC. 2. When used in this Act—

(a) The term "lands beneath navigable waters" includes (1) all lands within the boundaries of each of the respective States which were covered by waters navigable under the laws of the United States at the time such State became a member of the Union, and all lands permanently or periodically covered by tidal waters up to but not above the line of mean high tide and seaward to a line three geographical miles distant from the coast line of each such State and to the boundary line of each such State where in any case such boundary as it existed at the time such State became a member of the Union, or as heretofore or hereafter approved by Congress, extends seaward (or into the Great Lakes or Gulf of Mexico) beyond three geographical miles, and (2) all filled in, made, or reclaimed lands which formerly were lands beneath navigable waters, as herein defined; the term "boundaries" includes the seaward boundaries of a State or or its boundaries in the Gulf of Mexico or any of the Great Lakes as they existed at the time such State became a member of the Union, or as heretofore or hereafter approved by the Congress, or as extended or confirmed pursuant to section 4 hereof;

(b) The term "coast line" means the line of ordinary low water along that portion of the coast which is in direct contact with the open sea and the line marking the seaward limit of inland waters, which include all estuaries, ports, harbors, bays, channels, straits, historic bays, and sounds, and all other bodies of water which join the open sea;

(c) The terms "grantees" and "lessees" include (without limiting the generality thereof) all political subdivisions, municipalities, public and private corporations, and other persons holding grants or leases from a State, or its predecessor sovereign, to lands beneath navigable waters if such grants or leases were issued in accordance with the constitution, statutes, and decisions of the courts of the State in which such lands are situated, or of its predecessor sovereign: *Provided, however*, That nothing herein shall be construed as conferring upon said grantees or lessees any greater rights or interests other than are described herein and in their respective grants from the State, or its predecessor sovereign;

(d) The term "natural resources" shall include, without limiting the generality thereof, oil, gas, and all other minerals, and fish, shrimp, oysters, clams, crabs, lobsters, sponges, kelp, and other marine animal and plant life but shall not include water power or the use of water for the production of water power at any site where the United States now owns the water power;

(e) The term "lands beneath navigable waters" shall not include the beds of streams in lands now or heretofore constituting a part of the public lands of the

United States if such streams were not meandered in connection with the public survey of such lands under the laws of the United States;

(f) The term "continental shelf" means all submerged lands (1) which lie outside and seaward of lands beneath navigable waters as defined hereinabove in section 2 (a), and (2) of which the subsoil and natural resources appertain to the United States and are subject to its jurisdiction and control;

(g) The term "Secretary" means the Secretary of the Interior;

(h) The term "State" means any State of the Union;

(i) The term "coastal States" shall mean those States, any portion of which borders upon the Atlantic Ocean, the Gulf of Mexico, or the Pacific Ocean;

(j) The term "person" includes any citizen of the United States, an association of such citizens, a State, a political subdivision of a State, or a private, public, or municipal corporation organized under the laws of the United States or of any State;

(k) The term "lease" whenever used with reference to action by a State or its political subdivision or grantee shall be regarded as including any form of authorization for the use, development or production of lands beneath navigable waters or lands of the continental shelf and the natural resources therein and thereunder, and the term "lessee" whenever used in such connection, shall be regarded as including any person having the right to develop or produce natural resources and any person having the right to use or develop lands beneath navigable waters or lands of the continental shelf under any such form of authorization;

(l) The term "Mineral Leasing Act" shall mean the Act of February 25, 1920 (41 Stat. 437; 30 U. S. C., sec. 181 and the following), and all Acts heretofore enacted which are amendatory thereof or supplementary thereto.

TITLE II

LANDS BENEATH NAVIGABLE WATERS WITHIN STATE BOUNDARIES

SEC. 3. RIGHTS OF THE STATES.—(a) It is hereby determined and declared to be in the public interest that (1) title to and ownership of the lands beneath navigable waters within the boundaries of the respective States, and the natural resources within such lands and waters, and (2) the right and power to manage, administer, lease, control, develop, and use the said natural resources all in accordance with applicable State law be, and they are hereby, subject to the provisions hereof, severally recognized, confirmed, established, vested in and/or delegated to the respective States or the persons who were on June 5, 1950, entitled thereto under the law of the respective States in which the land is located, and the respective grantees, lessees, or successors in interest thereof.

(b) (1) The United States hereby releases and relinquishes unto said States and persons aforesaid all right, title, and interest of the United States, if any it has, in and to all said lands, moneys, improvements, and natural resources.

(2) The United States hereby releases and relinquishes all claims of the United States, if any it has, arising out of any operations of said States or persons pursuant to State authority upon or within said lands and navigable waters.

(3) The Secretary or the Treasurer of the United States shall pay to the respective States or their grantees issuing leases covering such lands or natural resources all moneys paid or tendered thereunder to the Secretary or to the Treasurer of the United States and subject to the control of either of them or to the control of the United States on the effective date of this Act, except that portion of such moneys which the Secretary is obligated to return to a lessee who does not consent to such payment.

(c) The rights, powers, and titles hereby recognized, confirmed, established, vested in, and delegated to the respective States and their grantees are subject to each lease executed by a State, or its grantee, which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, and such rights, powers, and titles are further subject to the rights herein now granted to any person holding any such lease to continue to maintain the lease, and to conduct operations thereunder, in accordance with its provisions, for the full term thereof, and any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued such lease: *Provided, however*, That, if oil or gas was not being produced from such lease on and before December 11, 1950, or if the primary term of such lease has expired since December 11, 1950, then for a term from the effective date hereof equal

to the term remaining unexpired on December 11, 1950, under the provisions of such lease or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, such lease: *Provided, however*, That within ninety days from the effective date hereof (1) the lessee shall pay to the State or its grantee issuing such lease all rentals, royalties, and other sums payable between June 5, 1950, and the effective date hereof under such lease and the laws of the State issuing or whose grantee issued such lease, except such rentals, royalties, and other sums as have been paid to the State, its grantee, the Secretary, or the Treasurer of the United States and not refunded to the lessee; and (ii) the lessee shall file with the Secretary, and with the State issuing or whose grantee issued such lease, instruments consenting to the payment by the Secretary, or the Treasurer of the United States, to the State or its grantee issuing the lease, of all rentals, royalties, and other payments under the control of the Secretary or the Treasurer of the United States which have been paid under the lease, except such rentals, royalties, and other payments as have also been paid by the lessee to the State or its grantee.

(d) Nothing in this Act shall affect the use, development, improvement, or control by or under the constitutional authority of the United States of said lands and waters for the purposes of navigation or flood control or the production of power at any site where the United States now owns or may hereafter acquire the water power or be construed as the release or relinquishment of any rights of the United States arising under the constitutional authority of Congress to regulate or improve navigation or to provide for flood control or the production of power at any site where the United States now owns the water power.

(e) Nothing in this Act shall be construed as affecting or intending to affect or in any way interfere with or modify the laws of the States which lie wholly or in part westward of the ninety-eighth meridian, relating to the ownership and control of ground and surface waters; and the control, appropriation, use, and distribution of such waters shall continue to be in accordance with the laws of such States.

(f) In the event any lease covers lands beneath navigable waters as well as other lands the provisions of this section shall apply to such lease only insofar as it covers lands beneath navigable waters.

SEC. 4. SEAWARD BOUNDARIES.—Any State which has not already done so may extend its seaward boundaries to a line three geographical miles distant from its coast line, or in the case of the Great Lakes, to the international boundary of the United States. Any claim heretofore or hereafter asserted either by constitutional provision, statute, or otherwise, indicating the intent of a State so to extend its boundaries is hereby approved and confirmed, without prejudice to its claim, if any it has, that its boundaries extend beyond that line. Nothing in this section is to be construed as questioning or in any manner prejudicing the existence of any State's seaward boundary beyond three geographical miles if it was so provided by its Constitution or laws prior to or at the time such State became a member of the Union, or if it has been heretofore or is hereafter approved by Congress.

SEC. 5. EXCEPTIONS FROM OPERATION OF SECTION 3 OF THIS ACT.—There is excepted from the operation of section 3 of this Act—

(a) all specifically described tracts or parcels of land and resources therein or improvements thereon title to which has been lawfully and expressly acquired by the United States from any State or from any person in whom title had vested under the decisions of the courts of such State, or their respective grantees, or successors in interest, by cession, grant, quitclaim, or condemnation, or from any other owner or owners thereof by conveyance or by condemnation, provided such owner or owners had lawfully acquired the title to such lands and resources in accordance with the statutes or decisions of the courts of the State in which the lands are located; and

(b) such lands beneath navigable waters within the boundaries of the respective States and such interests therein as are held by the United States in trust for the benefit of any tribe, band, or group of Indians or for individual Indians.

SEC. 6. POWERS RETAINED BY THE UNITED STATES.—(a) The United States retains all its rights in and powers of regulation and control of said lands and navigable waters for the purposes of commerce, navigation, national defense, and international affairs, except the proprietary rights of ownership, and the rights of management, administration, leasing, use, development, and control

of the lands and natural resources which are specifically recognized, confirmed, established, vested in, and delegated to the respective States and others by section 3 of this Act.

(b) In time of war when necessary for national defense, and the Congress or the President shall so prescribe, the United States shall have the right of first refusal to purchase at the prevailing market price, all or any portion of the said natural resources, or to acquire and use any portion of said lands by proceeding in accordance with due process of law and paying just compensation therefor.

SEC. 7. Nothing in this Act shall be deemed to amend, modify, or repeal the Acts of July 26, 1866 (14 Stat. 251), July 9, 1870 (16 Stat. 217), March 3, 1877 (19 Stat. 377), and June 17, 1902 (32 Stat. 388), and Acts amendatory thereof or supplementary thereto.

TITLE III

CONTINENTAL SHELF OUTSIDE STATE BOUNDARIES

SEC. 8. JURISDICTION OVER CONTINENTAL SHELF.—(a) It is hereby declared to be the policy of the United States that the natural resources of the subsoil and sea bed of the continental shelf appertain to the United States and are subject to its jurisdiction, control, and power of disposition as provided in this Act. Except to the extent that it is exercised in a manner inconsistent with applicable Federal laws, the police power of each coastal State may extend to that portion of the continental shelf which would be within the boundaries of such State if extended seaward to the outer margin of the continental shelf. The police power includes, but is not limited to, the power of taxation, conservation, and control of the manner of conducting geophysical explorations. This Act shall be construed in such manner that the character as high seas of the waters above the continental shelf and the right to their free and unimpeded navigation shall not be affected.

(b) Oil and gas deposits in the continental shelf shall be subject to control and disposal only in accordance with the provisions of this Act and no rights in or claims to such deposits, whether based upon applications filed or other action taken heretofore or hereafter, shall be recognized except in accordance with the provisions of this Act.

SEC. 9. PROVISIONS FOR LEASING OF CONTINENTAL SHELF.—(a) When requested by any responsible and qualified person interested in purchasing oil and gas leases on any area of the continental shelf not then under lease issued by the abutting State or the Federal Government, or when in the Secretary's opinion there is a demand for the purchase of such leases, the Secretary shall offer for sale, on competitive sealed bidding, oil and gas leases on such area. Subject to the other terms and provisions hereof, sales of leases shall be made to the responsible and qualified bidder bidding the highest cash bonus per leasing unit. Notice of sale of oil and gas leases shall he published at least thirty days before the date of sale in accordance with rules and regulations promulgated by the Secretary, which publication shall contain (i) a description of the tracts into which the area to be leased has been subdivided by the Secretary for leasing purposes, such tracts being herein called "leasing units"; (ii) the minimum bonus per acre which will he accepted by the Secretary on each leasing unit; (iii) the amount of royalty as specified hereinafter in section 9 (d); (iv) the amount of rental per acre per annum on each leasing unit as specified hereinafter in section 9 (d); and (v) the time and place at which all bids shall be opened in public.

(b) The leasing units shall be in reasonably compact form, of such area and dimensions as may be determined by the Secretary, but shall not be less than six hundred and forty acres nor more than two thousand five hundred and sixty acres if within the known geologic structure of a producing oil or gas field and shall not be less than two thousand five hundred and sixty acres nor more than seven thousand six hundred and eighty acres if not within any known geologic structure of a producing oil or gas field.

(c) Oil and gas leases sold under the provisions of this section shall be for the primary terms of 5 years and shall continue so long thereafter as oil or gas is produced therefrom in paying quantities. Each lease shall contain provisions requiring the exercise of reasonable diligence, skill, and care in the operation of the lease, and requiring the lessee to conduct his operations thereon in accordance with sound and efficient oil-field practices to prevent waste of oil or gas discovered under said lease or the entrance of water through wells drilled by him to the oil or gas sands or oil- and gas-bearing strata or the injury or destruction of the oil and gas deposits.

(d) Each lease shall provide that, on or after the discovery of oil or gas, the lessee shall pay a royalty of not less than 12½ per centum in the amount or value of the production saved, removed, or sold from the leasing unit and, in any event, not less than $1 per acre per annum in lieu of rental for each lease year commencing after discovery. If after discovery of oil or gas the production thereof should cease from any cause, the lease shall not terminate if lessee commences additional drilling or reworking operations within 90 days thereafter or, if it be within the primary term, commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental-paying date next ensuing after the expiration of 90 days from date of cessation of production. All leases issued hereunder shall be conditioned upon the payment by the lessee of a rental of $1 per acre per annum for the second and every lease year thereafter during the primary term and in lieu of drilling operations on or production from the leasing unit, all such rentals to be payable on or before the beginning of each lease year.

(e) If, at the expiration of the primary term of any lease, oil or gas is not being produced in paying quantities on a leasing unit, but drilling operations are commenced not less than 180 days prior to the end of the primary term and such drilling operations or other drilling operations have been and are being diligently prosecuted and the lessee has otherwise performed his obligations under the lease, the lease shall remain in force so long as drilling operations are prosecuted with reasonable diligence and in a good and workmanlike manner, and if they result in the production of oil or gas so long thereafter as oil or gas is produced therefrom in paying quantities.

(f) Should a lessee in a lease issued under the provisions of title III of this Act fail to comply with any of the provisions of this Act or of the lease, such lease may, upon proper showing, be canceled in an appropriate court proceeding because of such failure; but before the institution of such a court proceeding the Secretary shall allow the lessee 20 days in which to show cause in writing why the proceeding should not be instituted, and any submission made by the lessee during that period shall be given consideration by the Secretary in determining whether to recommend to the Attorney General that a court proceeding be instituted against the lessee. If a lease or any interest therein is owned or controlled, directly or indirectly, in violation of any of the provisions of this Act, the lease may be canceled, or the interest so owned or controlled may be forfeited or the person so owning or controlling the interest may be compelled to dispose of the interest in an appropriate court proceeding.

(g) The provisions of sections 17, 17 (b), 28, 30, 30 (a), 30 (b), 32, 36, and 39 of the Mineral Leasing Act to the extent that such provisions are not inconsistent with the terms of this Act, are made applicable to lands leased or subject to lease by the Secretary under title III of this Act.

(h) Each lease shall contain such other terms and provisions consistent with the provisions of this Act as may be prescribed by the Secretary. The Secretary may delegate his authority under this Act to officers or employees of the Department of the Interior and may authorize subdelegation to the extent that he may deem proper.

(i) Citizens of another country, the laws, customs, or regulations of which deny similar or like privileges to citizens or corporations of this country, shall not directly or by stock ownership, stock holding, stock control, trusteeship, or otherwise, own or control any interest in any lease acquired under the provisions of this section. Any ownership or interest forbidden in this section which may be acquired by descent, will, judgment, or decree may be held for two years and not longer after its acquisition. No lands leased under the provisions of this section shall be subleased, trusteed, possessed, or controlled by any device or in any manner whatsoever so that they form a part of or are in anywise controlled by any combination in the form of an unlawful trust, with the consent of the lessee, or form the subject in whole or in part of any contract, agreement, understanding, or conspiracy, entered into by the lessee, to restrain trade or commerce in the production or sale of oil or gas or to control the price of oil or gas.

(j) Any lease obtained through the exercise of fraud or misrepresentation, or which is not performed in accordance with its terms or with this law, may by appropriate court action be invalidated.

SEC. 10. EXCHANGE OF EXISTING STATE LEASES IN CONTINENTAL SHELF FOR FEDERAL LEASES.—(a) The Secretary is authorized and directed to issue a lease

to any person in exchange for a lease covering lands in the continental shelf which (i) was issued by any State or its grantee prior to January 1, 1949, and which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, or (ii) was issued with the approval of the Secretary subsequent to January 1, 1949, and prior to the effective date of this Act and which on the effective date hereof was in force and effect in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease. Any lease issued pursuant to this section shall be for a term from the effective date hereof equal to the unexpired term of the old lease, or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, the same: *Provided, however*, That, if oil or gas was not being produced from such old lease on and before December 11, 1950, or if the primary term of such lease has expired since December 11, 1950, then any such new lease shall be for a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provisions of the old lease or any extensions, renewals or replacements authorized therein or heretofore authorized by the laws of the State issuing or whose grantee issued such lease, shall cover the same natural resources and the same portion of the continental shelf as the old lease, shall provide for payment to the United States of the same rentals, royalties, and other payments as are provided for in the old lease, and shall include such other terms and provisions, consistent with the provisions of this Act, as may be prescribed by the Secretary. Operations under such old lease may be conducted as therein porvided until the issuance of an exchange lease hereunder or until it is determined that no such exchange lease shall be issued. No lease which has been determined by appropriate court action to have been obtained by fraud or misrepresentation shall be accepted for exchange under this section.

(b) No such exchange lease shall be issued unless, (i) an application therefor, accompanied by a copy of the lease from the State or its political subdivision or grantee offered in exchange, is filed with the Secretary within six months from the effective date of this Act, or within such further period as provided in section 17 hereof, or as may be fixed from time to time by the Secretary; (ii) the applicant states in his application that the lease applied for shall be subject to the same overriding royalty obligations as the lease issued by the State or its political subdivision or grantee; (iii) the applicant pays to the United States all rentals, royalties, and other sums due to the lessor under the old lease which have or may become payable after December 11, 1950, and which have not been paid to the lessor or to the Secretary under the old lease; (iv) the applicant furnishes such surety bond, if any, as the Secretary may require and complies with such other reasonable requirements as the Secretary may deem necessary to protect the interests of the United States; and (v) the applicant files with the Secretary a certificate issued by the State official or agency having jurisdiction showing that the old lease was in force and effect in accordance with its terms and provisions and the laws of the State issuing it on the applicable date provided for in subsection (a) of this section; or, in the absence of such certificate, evidence in the form of affidavit, receipts, canceled checks, and other documents showing such facts.

(c) All rentals, royalties, and other sums payable under any such lease after December 11, 1950, and before the issuance of an exchange lease as herein provided, may be paid to the United States, subject, however, to accounting to the State which issued such lease or under whose authority the same was issued, in accordance with the provisions of section 12 hereof.

(d) In the event any lease covers lands of the continental shelf as well as other lands, the provisions of this section shall apply to such lease insofar only as it covers lands of the continental shelf.

SEC. 11. ACTIONS INVOLVING CONTINENTAL SHELF.—Any court proceeding involving the continental shelf may be instituted in the United States district court for the district in which the lessee, or the person owing or controlling the lease interest, may be found or for the district in which the leased property, or some part thereof, is located; or, if no part of the leased property is within any district, for the district nearest to the property involved.

SEC. 12. DIVISION OF PROCEEDS FROM THE CONTINENTAL SHELF.—Each coastal State is hereby vested with the right to 37½ per cent of all moneys received by the United States, after the effective date of this Act, as bonus payments, rentals, and royalties with respect to operations for oil, gas, or other minerals in lands in the continental shelf which would be within the boundaries of such

State, if extended seaward to the outer margin of the continental shelf; and the Secretary of the Treasury within ninety days after the expiration of each fiscal year shall pay to each such State the moneys to which it is so entitled. All other moneys received by the United States from operations in the continental shelf, under the provisions of this Act, shall be paid into the Treasury of the United States and applied to the payment of the principal of the national debt. If and whenever the United States shall take and receive in kind all or any part of the royalties referred to in this section, the value of such royalties so taken in kind shall be deemed to be the prevailing market price thereof at the time and place of production, and there shall be paid to the State entitled thereto as provided in this section, 37½ per cent of the value of such royalties.

SEC. 13. REFUNDS.—When it appears to the satisfaction of the Secretary that any person has made a payment to the United States in connection with any lease under this Act in excess of the amount he was lawfully required to pay, such excess shall be repaid to such person or his legal representative, if a request for repayment of such excess is filed with the Secretary within two years after the issuance of the lease or the making of the payment. The Secretary shall certify the amounts of all such repayments to the Secretary of the Treasury, who is authorized and directed to make such repayments out of any moneys not otherwise appropriated and to issue his warrant in settlement thereof.

SEC. 14. WAIVER OF LIABILITY FOR PAST OPERATIONS.—(a) No State, or political subdivision, grantee or lessee shall be liable to or required to account to the United States in any way for entering upon, using, exploring for, developing, producing, or disposing of natural resources from lands of the continental shelf prior to December 11, 1950.

(b) If it shall be determined by appropriate court action that fraud has been practiced in the obtaining of any lease referred to herein or in the operations thereunder, the waivers provided in this section shall not be effective.

SEC. 15. POWERS RESERVED TO THE UNITED STATES.—The United States reserves and retains—

(a) in time of war or when necessary for national defense, and when so prescribed by the Congress or the President, the right (i) of first refusal to purchase at the prevailing market price all or any portion of the oil or gas that may be produced from the continental shelf; (ii) to terminate any lease issued or authorized pursuant to or validated by title III of this Act, in which event the United States shall become the owner of wells, fixtures, and improvements located on the area of such lease and shall be liable to the lessee for just compensation for such leaseholds, wells, fixtures, and improvements, to be determined as in the case of condemnation; (iii) to suspend operations under any lease issued or authorized pursuant to or validated by title III of this Act, in which event the United States shall be liable to the lessee for such compensation as is required to be paid under the Constitution of the United States; and payment of rentals, minimum royalty, and royalty prescribed by such lease shall likewise be suspended during any period of suspension of operations, and the term of any suspended lease shall be extended by adding thereto any suspension period;

(b) the right to designate by and through the Secretary of Defense, with the approval of the President, as restricted, those areas of the continental shelf needed for navigational purposes or for national defense; and so long as such designation remains in effect no exploration or operations may be conducted on any part of the surface of such area except with the concurrence of the Secretary of Defense; and if operations or production under any lease theretofore issued on lands within any such restricted area shall be suspended, any payment of rentals, minimum royalty, and royalty prescribed by such lease likewise shall be suspended during such period of suspension of operation and production, and the term of such lease shall be extended by adding thereto any such suspension period, and the United States shall be liable to the lessee for such compensation as is required to be paid under the Constitution of the United States;

(c) the ownership of and the right to extract helium from all gas produced from the continental shelf, subject to any lease issued pursuant to or validated by this Act under such general rules and regulations as shall be prescribed by the Secretary, but in the extraction of helium from such gas it shall be so extracted as to cause no substantial delay in the delivery of gas produced to the purchaser of such gas.

SEC. 16. GEOLOGICAL AND GEOPHYSICAL EXPLORATIONS.—The right of any person, subject to applicable provisions of law, and of any agency of the United States to conduct geological and geophysical explorations in the continental shelf, which do not interfere with or endanger actual operations under any lease issued pursuant to this Act, is hereby recognized.

SEC. 17. INTERPLEADER AND INTERIM ARRANGEMENTS.—(a) Notwithstanding the other provisions of this Act, if any lessee under any lease of submerged lands granted by any State, its political subdivisions, or grantees, prior to the effective date of this Act, shall file with the Secretary a certificate executed by such lessee under oath and stating that doubt exists (i) as to whether an area covered by such lease lies within the continental shelf, or (ii) as to whom the rentals, royalties, or other sums payable under such lease are lawfully payable, or (iii) as to the validity of the claims of the State which issued, or whose political subdivision or grantee issued, such lease to the area covered by the lease and that such claims have not been determined by a final judgment of a court of competent jurisdiction—

(1) the lessee may interplead the United States and, with their consent, the State or States concerned, in an action filed in the United States district court having jurisdiction of any part of the area, and, in the event of State consent to be interpleaded, deposit with the clerk of that court all rentals, royalties, and other sums payable under such lease after filing of such certificate, and such deposit shall be full performance of the lessee's obligation under such lease to make such payments; or

(2) the lessee may continue to pay all rentals, royalties, and other sums payable under such lease to the State, its political subdivisions, or grantees, as in the lease provided, until it is determined by final judgment of a court of competent jurisdiction that such rentals, royalties, and other sums should be paid otherwise, and thereafter such rentals, royalties, and other sums shall be paid by said lessee in accordance with the determination of such final judgment. In the event it shall be determined by such final judgment that the United States is entitled to any moneys theretofore paid to any State or political subdivision or grantee thereof, such State, its political subdivision, or grantee, as the case may be, shall promptly account to the United States therefor; and

(3) the lessee of any such lease may file application for an exchange lease under section 10 hereof at any time prior to the expiration of six months after it is determined by final judgment of a court of competent jurisdiction that the claims of the State which issued, or whose political subdivision or grantee issued, such lease to the area covered by the lease are invalid as against the United States and that the lands covered by such lease are within the continental shelf.

(b) If any area of the continental shelf or other lands covered by this Act included in any lease issued by a State or its political subdivision or grantee is involved in litigation between the United States and such State, its political subdivision, or grantee, the lessee in such lease shall have the right to intervene in such action and deposit with the clerk of the court in which such case is pending any rentals, royalties, and other sums payable under the lease subsequent to the effective date of this Act, and such deposit shall be full discharge and acquittance of the lessee for any payment so made.

TITLE IV

GENERAL

SEC. 18. SEPARABILITY.—If any provision of this Act, or any section, subsection, sentence, clause, phrase, or individual word, or the application thereof to any person or circumstance is held invalid, the validity of the remainder of the Act and of the application of any such provision, section, subsection, sentence, clause, phase or individual word to other persons and circumstances shall not be affected thereby; without limiting the generality of the foregoing, if subsection 3 (a) 1, 3 (a) 2, 3 (b) 1, 3 (b) 2, 3 (b) 3, or 3 (c) or any provision of any of those subsections is held invalid, such subsection or provision shall be held separable and the remaining subsections and provisions shall not be affected thereby.

[H. R. 1931, 83d Cong., 1st sess.]

A BILL To set aside Executive Order Numbered 10426 relating to submerged lands of the continental shelf

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Executive Order Numbered 10426 entitled "Setting Aside Submerged Lands of the Continental Shelf As A Naval Petroleum Reserve" shall be of no force and effect and shall be held and considered never to have been issued, so that all the subjects of the changes which such order purported to make shall revert to their status just prior to the issuance of such order.

[H. R. 1941, 83d Cong., 1st sess.]

A BILL To confirm and establish the titles of the States to lands beneath navigable waters within State boundaries and to the natural resources within such lands and waters, to provide for the use and control of said lands and resources, and to provide for the use, control, exploration, development, and conservation of certain resources of the continental shelf lying outside of State boundaries

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Submerged Lands Act".

TITLE I

DEFINITION

SEC. 2. When used in this Act—

(a) The term "lands beneath navigable waters" includes (1) all lands within the boundaries of each of the respective States which were covered by waters navigable under the laws of the United States at the time such State became a member of the Union, and all lands permanently or periodically covered by tidal waters up to but not above the line of mean high tide and seaward to a line three geographical miles distant from the coast line of each such State and to the boundary line of each such State where in any case such boundary as it existed at the time such State became a member of the Union, or as heretofore or hereafter approved by Congress, extends seaward (or into the Great Lakes or Gulf of Mexico) beyond three geographical miles, and (2) all filled in, made, or reclaimed lands which formerly were lands beneath navigable waters, as herein defined; the term "boundaries" includes the seaward boundaries of a State or its boundaries in the Gulf of Mexico or any of the Great Lakes as they existed at the time such State became a member of the Union, or as heretofore or hereafter approved by the Congress, or as extended or confirmed pursuant to section 4 hereof;

(b) The term "coast line" means the line of ordinary low water along that portion of the coast which is in direct contact with the open sea and the line marking the seaward limit of inland waters, which include all estuaries, ports, harbors, bays, channels, straits, historic bays, and sounds, and all other bodies of water which join the open sea;

(c) The terms "grantees" and "lessees" include (without limiting the generality thereof) all political subdivisions, municipalities, public and private corporations, and other persons holding grants or leases from a State, or its predecessor sovereign, to lands beneath navigable waters if such grants or leases were issued in accordance with the constitution, statutes, and decisions of the courts of the State in which such lands are situated, or of its predecessor sovereign: *Provided, however*, That nothing herein shall be construed as conferring upon said grantees or lessees any greater rights or interests other than are described herein and in their respective grants from the State, or its predecessor sovereign;

(d) The term "natural resources" shall include, without limiting the generality thereof, fish, shrimp, oysters, clams, crabs, lobsters, sponges, kelp, and other marine animal and plant life but shall not include water power or the use of water for the production of power at any site where the United States now owns the water power;

(e) The term "lands beneath navigable waters" shall not include the beds of streams in lands now or heretofore constituting a part of the public lands of the United States if such streams were not meandered in connection with the public survey of such lands under the laws of the United States;

(f) The term "continental shelf" means all submerged lands (1) which lie outside and seaward of lands beneath navigable waters as defined hereinabove in section 2 (a), and (2) of which the subsoil and natural resources appertain to the United States and are subject to its jurisdiction and control;

(g) The term "Secretary" means the Secretary of the Interior;

(h) The term "State" means any State of the Union;

(i) The term "coastal States" shall mean those States, any portion of which borders upon the Atlantic Ocean, the Gulf of Mexico, or the Pacific Ocean;

(j) The term "person" includes any citizen of the United States, an association of such citizens, a State, a political subdivision of a State, or a private, public, or municipal corporation organized under the laws of the United States or of any State;

(k) The term "lease" whenever used with reference to action by a State or its political subdivision or grantee prior to January 1, 1949, shall be regarded as including any form of authorization for the use, development or production of lands beneath navigable waters and the natural resources therein and thereunder, and the term "lessee" whenever used in such connection, shall be regarded as including any person having the right to develop or produce natural resources and any person having the right to use or develop lands beneath navigable waters under any such form of authorization;

(l) The term "Mineral Leasing Act" shall mean the Act of February 25, 1920 (41 Stat. 437; 30 U. S. C., sec. 181 and the following), and all Acts heretofore enacted which are amendatory thereof or supplementary thereto.

TITLE II

LANDS BENEATH NAVIGABLE WATERS WITHIN STATE BOUNDARIES

SEC. 3. RIGHTS OF THE STATES.—It is hereby determined and declared to be in the public interest that title to and ownership of the lands beneath navigable waters within the boundaries of the respective States, and the natural resources within such lands and waters, and the right and power to control, develop, and use the said natural resources all in accordance with applicable State law be, and they are hereby, subject to the provisions hereof, recognized, confirmed, established, and vested in the respective States or the persons who were on June 5, 1950, entitled thereto under the property law of the respective States in which the land is located, and the respective grantees, lessees, or successors in interest thereof; and the United States hereby releases and relinquishes unto said States and persons aforesaid all right, title, and interest of the United States, if any it has, in and to all said lands, moneys, improvements, and natural resources, and releases and relinquishes all claims of the United States, if any it has, arising out of any operations of said States or persons pursuant to State authority upon or within said lands and navigable waters. The rights, powers, and titles hereby recognized, confirmed, established, and vested in the respective States and their grantees are subject to each lease executed by a State, or its grantee, which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, and such rights, powers, and titles are further subject to the rights herein now granted to any person holding any such lease to continue to maintain the lease, and to conduct operations thereunder, in accordance with its provisions, for the full term thereof, and any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued such lease: *Provided, however*, That, if oil or gas was not being produced from such lease on and before December 11, 1950, then for a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provisions of such lease or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, such lease: *Provided, however*, That all rents, royalties, and other sums payable under such lease and the laws of the State issuing or whose grantee issued such lease between June 5, 1950, and the effective date hereof, which have not been paid to the State or its grantee issuing it or to the Secretary of the Interior of the United States, shall be paid to the State or its grantee issuing such lease within ninety days from the effective date hereof: *Provided, however*, That nothing in this Act shall affect the use, development, improvement, or control by or under the constitutional authority of the United States of said lands and waters for the purposes of navigation or flood control or the production of power at any site where the United States now owns or may

hereafter acquire the water power or be construed as the release or relinquishment of any rights of the United States arising under the constitutional authority of Congress to regulate or improve navigation or to provide for flood control or the production of power at any site where the United States now owns the water power: *Provided further*, That nothing in this Act shall be construed as affecting or intending to affect or in any way interfere with or modify the laws of the States which lie wholly or in part westward of the ninety-eighth meridian, relating to the ownership and control of ground and surface waters; and the control, appropriation, use, and distribution of such waters shall continue to be in accordance with the laws of such States.

SEC. 4. SEAWARD BOUNDARIES.—Any State which has not already done so may extend its seaward boundaries to a line three geographical miles distant from its coast line, or in the case of the Great Lakes, to the international boundary of the United States. Any claim heretofore or hereafter asserted either by constitutional provision, statute, or otherwise, indicating the intent of a State so to extend its boundaries is hereby approved and confirmed, without prejudice to its claim, if any it has, that its boundaries extend beyond that line. Nothing in this section is to be construed as questioning or in any manner prejudicing the existence of any State's seaward boundary beyond three geographical miles if it was so provided by its Constitution or laws prior to or at the time such State became a member of the Union, or if it has been heretofore or is hereafter approved by Congress.

SEC. 5. EXCEPTIONS FROM OPERATION OF SECTION 3 OF THIS ACT.—There is excepted from the operation of section 3 of this Act—

(a) all specifically described tracts or parcels of land and resources therein or improvements thereon title to which has been lawfully and expressly acquired by the United States from any State or from any person in whom title had vested under the decisions of the courts of such State, or their respective grantees, or successors in interest, by cession, grant, quitclaim, or condemnation, or from any other owner or owners thereof by conveyance or by condemnation, provided such owner or owners had lawfully acquired the title to such lands and resources in accordance with the statutes or decisions of the courts of the State in which the lands are located; and

(b) such lands beneath navigable waters within the boundaries of the respective States and such interests therein as are held by the United States in trust for the benefit of any tribe, band, or group of Indians or for individual Indians.

SEC. 6. POWERS RETAINED BY THE UNITED STATES.—(a) The United States retains all its powers of regulation and control of said lands and navigable waters for the purposes of commerce, navigation, national defense, and international affairs, none of which includes any of the proprietary rights of ownership, or of use, development, and control of the lands and natural resources which are specifically recognized, confirmed, established, and vested in the respective States and others by section 3 of this Act.

(b) In time of war when necessary for national defense, and the Congress or the President shall so prescribe, the United States shall have the right of first refusal to purchase at the prevailing market price, all or any portion of the said natural resources, or to acquire and use any portion of said lands by proceeding in accordance with due process of law and paying just compensation therefor.

SEC. 7. Nothing in this Act shall be deemed to amend, modify, or repeal the Acts of July 26, 1866 (14 Stat. 251), July 9, 1870 (16 Stat. 217), March 3, 1877 (19 Stat. 377), June 17, 1902 (32 Stat. 388), and December 22, 1944 (58 Stat. 887), and Acts amendatory thereof or supplementary thereto.

TITLE III

CONTINENTAL SHELF OUTSIDE STATE BOUNDARIES

SEC. 8. JURISDICTION OVER CONTINENTAL SHELF.—(a) It is hereby declared to be the policy of the United States that the natural resources of the subsoil and sea bed of the continental shelf appertain to the United States and are subject to its jurisdiction, control, and power of disposition as provided in this Act. Except to the extent that it is exercised in a manner inconsistent with applicable Federal laws, the police power of each coastal State may extend to that portion of the continental shelf which would be within the boundaries of

such State if extended seaward to the outer margin of the continental shelf. The police power includes, but is not limited to, the power of taxation, conservation, and control of the manner of conducting geophysical explorations. This Act shall be construed in such manner that the character as high seas of the waters above the continental shelf and the right to their free and unimpeded navigation shall not be affected.

(h) Oil and gas deposits in the continental shelf shall be subject to control and disposal only in accordance with the provisions of this Act and no rights in or claims to such deposits, whether based upon applications filed or other action taken heretofore or hereafter, shall be recognized except in accordance with the provisions of this Act.

SEC. 9. PROVISIONS FOR LEASING OF CONTINENTAL SHELF.—(a) When requested by any responsible and qualified person interested in purchasing oil and gas leases on any area of the continental shelf not then under lease issued by the abutting State or the Federal Government, or when in the Secretary's opinion there is a demand for the purchase of such leases, the Secretary shall offer for sale, on competitive sealed bidding, oil and gas leases on such area. Subject to the other terms and provisions hereof, sales of leases shall be made to the responsible and qualified bidder bidding the highest cash bonus per leasing unit. Notice of sale of oil and gas leases shall be published at least thirty days before the date of sale in accordance with rules and regulations promulgated by the Secretary, which publication shall contain (i) a description of the tracts into which the area to be leased has been subdivided by the Secretary for leasing purposes, such tracts being herein called "leasing units"; (ii) the minimum bonus per acre which will be accepted by the Secretary on each leasing unit; (iii) the amount of royalty as specified hereinafter in section 9 (d); (iv) the amount of rental per acre per annum on each leasing unit as specified hereinafter in section 9 (d); and (v) the time and place at which all bids shall be opened in public.

(b) The leasing units shall be in reasonably compact form and of such area and dimensions as may be determined by the Secretary, but shall not be less than six hundred and forty acres nor more than two thousand five hundred and sixty acres if within the known geologic structure of a producing oil or gas field and shall not be less than two thousand five hundred and sixty acres nor more than seven thousand six hundred and eighty acres if not within any known geologic structure of a producing oil or gas field.

(c) Oil and gas leases sold under the provisions of this section shall be for the primary term of five years and shall continue so long thereafter as oil or gas is produced therefrom in paying quantities. Each lease shall contain provisions requiring the exercise of reasonable diligence, skill, and care in the operation of the lease, and requiring the lessee to conduct his operations thereon in accordance with sound and efficient oil-field practices to prevent waste of oil or gas discovered under said lease or the entrance of water through wells drilled by him to the oil or gas sands or oil and gas bearing strata or the injury or destruction of the oil and gas deposits.

(d) Each lease shall provide that, on or after the discovery of oil or gas, the lessee shall pay a royalty of not less than 12½ per centum in amount or value of the production saved, removed, or sold from the leasing unit and, in any event, not less than $1 per acre per annum in lieu of rental for each lease year commencing after discovery. If after discovery of oil or gas the production thereof should cease from any cause, the lease shall not terminate if lessee commences additional drilling or reworking operations within ninety days thereafter or, if it be within the primary term, commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of ninety days from date of cessation of production. All leases issued hereunder shall be conditioned upon the payment by the lessee of a rental of $1 per acre per annum for the second and every lease year thereafter during the primary term and in lieu of drilling operations on or production from the leasing unit, all such rentals to be payable on or before the beginning of each lease year.

(e) If, at the expiration of the primary term of any lease, oil or gas is not being produced in paying quantities on a leasing unit, but drilling operations are commenced not less than one hundred eighty days prior to the end of the primary term and such drilling operations or other drilling operations have been and are being diligently prosecuted and the lessee has otherwise performed his obligations under the lease, the lease shall remain in force so long as drilling operations are prosecuted with reasonable diligence and

in a good and workmanlike manner, and if they result in the production of oil or gas so long thereafter as oil or gas is produced therefrom in paying quantities.

(f) Should a lessee in a lease issued under the provisions of title III of this Act fail to comply with any of the provisions of this Act or of the lease, such lease may, upon proper showing, be canceled in an appropriate court proceeding because of such failure; but before the institution of such a court proceeding the Secretary shall allow the lessee twenty days in which to show cause in writing why the proceeding should not be instituted, and any submission made by the lessee during that period shall be given consideration by the Secretary in determining whether to recommend to the Attorney General that a court proceeding be instituted against the lessee. If a lease or any interest therein is owned or controlled, directly or indirectly, in violation of any of the provisions of this Act, the lease may be canceled, or the interest so owned or controlled may be forfeited or the person so owning or controlling the interest may be compelled to dispose of the interest in an appropriate court proceeding.

(g) The provisions of section 17, 17 (b), 28, 30, 30 (a), 30 (b), 32, 36, and 39 of the Mineral Leasing Act to the extent that such provisions are not inconsistent with the terms of this Act, are made applicable to lands leased or subject to lease by the Secretary under title III of this Act.

(h) Each lease shall contain such other terms and provisions consistent with the provisions of this Act as may be prescribed by the Secretary. The Secretary may delegate his authority under this Act to officers or employees of the Department of the Interior and may authorize subdelegation to the extent that he may deem proper.

(i) Citizens of another country, the laws, customs, or regulations of which deny similar or like privileges to citizens or corporations of this country, shall not directly or by stock ownership, stock holding, stock control, trusteeship, or otherwise, own or control any interest in any lease acquired under the provisions of this section. Any ownership or interest forbidden in this section which may be acquired by descent, will, judgment, or decree may be held for two years and not longer after its acquisition. No lands leased under the provisions of this section shall be subleased, trusteed, possessed, or controlled by any device or in any manner whatsoever so that they form a part of or are in anywise controlled by any combination in the form of an unlawful trust, with the consent of the lessee, or form the subject in whole or in part of any contract, agreement, understanding, or conspiracy, entered into by the lessee, to restrain trade or commerce in the production or sale of oil or gas or to control the price of oil or gas.

(j) Any lease obtained through the exercise of fraud or misrepresentation, or which is not performed in accordance with its terms or with this law, may by appropriate court action be invalidated.

SEC. 10. EXCHANGE OF EXISTING STATE LEASES.—(a) The Secretary is authorized and directed to issue a lease to any person in exchange for a lease covering lands in the continental shelf which (i) was issued by any State or its grantee prior to January 1, 1949, and which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, or (ii) was issued with the approval of the Secretary subsequent to January 1, 1949, and prior to the effective date of this Act and which on the effective date hereof was in force and effect in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease. Any lease issued pursuant to this section shall be for a term from the effective date hereof equal to the unexpired term of the old lease, or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, the same: *Provided, however*, That, if oil or gas was not being produced from such old lease on and before December 11, 1950, then any such new lease shall be for a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provisions of the old lease or any extensions, renewals, or replacements authorized therein or heretofore authorized by the laws of the State issuing or whose grantee issued such lease, shall cover the same natural resources and the same portion of the continental shelf as the old lease, shall provide for payment to the United States of the same rentals, royalties, and other payments as are provided for in the old lease, and shall include such other terms and provisions, consistent with the provisions of this Act, as may be prescribed by the Secretary. Operations under such old lease

may be conducted as therein provided until the issuance of an exchange lease hereunder or until it is determined that no such exchange lease shall be issued. No lease which has been determined by appropriate court action to have been obtained by fraud or misrepresentation shall be accepted for exchange under this section.

(b) No such exchange lease shall be issued unless, (i) an application therefor, accompanied by a copy of the lease from the State or its political subdivision or grantee offered in exchange, is filed with the Secretary within six months from the effective date of this Act, or within such further period as provided in section 18 hereof, or as may be fixed from time to time by the Secretary; (ii) the applicant states in his application that the lease applied for shall be subject to the same overriding royalty obligations as the lease issued by the State or its political subdivision or grantee; (iii) the applicant pays to the United States all rentals, royalties, and other sums due to the lessor under the old lease which have or may become payable after January 1, 1949, and which have not been paid to the lessor under the old lease; (iv) the applicant furnishes such surety bond, if any, as the Secretary may require and complies with such other reasonable requirements as the Secretary may deem necessary to protect the interests of the United States; and (v) the applicant files with the Secretary a certificate issued by the State official or agency having jurisdiction showing that the old lease was in force and effect in accordance with its terms and provisions and the laws of the State issuing it on the applicable date provided for in paragraph (a) of this section; or, in the absence of such certificate, evidence in the form of affidavit, receipts, canceled checks, and other documents showing such facts.

(c) All rents, royalties, and other sums payable under any such lease after December 11, 1950, and before the issuance of an exchange lease as herein provided, may be paid to the United States, subject, however, to accounting to the State which issued such lease or under whose authority the same was issued, in accordance with the provisions of section 12 hereof.

(d) In the event any lease covers lands of the continental shelf as well as other lands, the provisions of this section shall apply to such lease insofar only as it covers lands of the continental shelf.

SEC. 11. ACTIONS INVOLVING CONTINENTAL SHELF.—Any court proceeding involving the continental shelf may be instituted in the United States district court for the district in which the lessee, or the person owning or controlling the lease interest, may be found or for the district in which the leased property, or some part thereof, is located; or, if no part of the leased property is within any district, for the district nearest to the property involved.

SEC. 12. DIVISION OF PROCEEDS FROM THE CONTINENTAL SHELF.—Each coastal State is hereby vested with the right to 37½ per centum of all moneys received by the United States, after the effective date of this Act, as bonus payments, rents, and royalties with respect to operations for oil, gas, or other minerals in lands in the continental shelf which would be within the boundaries of such State, if extended seaward to the outer margin of the continental shelf; and the Secretary of the Treasury within ninety days after the expiration of each fiscal year shall pay to each such State the moneys to which it is so entitled. All other moneys received by the United States from operations in the continental shelf, under the provisions of this Act, shall be paid into the Treasury of the United States and applied to the payment of the principal of the national debt. If and whenever the United States shall take and receive in kind all or any part of the royalties referred to in this section, the value of such royalties so taken in kind shall be deemed to be the prevailing market price thereof at the time and place of production, and there shall be paid to the State entitled thereto as provided in this section, 37½ per centum of the value of such royalties.

SEC. 13. REFUNDS.—Where it appears to the satisfaction of the Secretary that any person has made a payment to the United States in connection with any lease under this Act in excess of the amount he was lawfully required to pay, such excess shall be repaid to such person or his legal representative, if a request for repayment of such excess is filed with the Secretary within two years after the issuance of the lease or the making of the payment. The Secretary shall certify the amounts of all such repayments to the Secretary of the Treasury, who is authorized and directed to make such repayments out of any moneys not otherwise appropriated and to issue his warrant in settlement thereof.

SEC. 14. WAIVER OF LIABILITY FOR PAST OPERATIONS.—(a) No State, or political subdivision or grantee thereof, shall be liable to or required to account to the United States in any way for entering upon, using, exploring for, developing,

producing, or disposing of natural resources from lands covered by title II or title III of this Act prior to the effective date of this Act.

(b) No lessee under any lease of submerged lands covered by this Act and granted by any State or political subdivision or grantee thereof prior to the effective date of this Act shall be liable or required to account to the United States for the use of such lands or any natural resources produced, extracted, or removed under such lease or for the value thereof, nor shall any person who has purchased or otherwise acquired such lands or natural resources be liable to account to the United States therefor or for the value thereof.

(c) If it shall be determined by appropriate court action that fraud has been practiced in the obtaining of any lease referred to herein or in the operations thereunder, the waivers provided in this section shall not be effective.

SEC. 15. POWERS RESERVED TO THE UNITED STATES.—The United States reserves and retains—

(a) in time of war or when necessary for national defense, and when so prescribed by the Congress or the President, the right (i) of first refusal to purchase at the prevailing market price all or any portion of the oil or gas that may be produced from the continental shelf; (ii) to terminate any lease issued or authorized pursuant to or validated by title III of this Act, in which event the United States shall become the owner of wells, fixtures, and improvements located on the area of such lease and shall be liable to the lessee for just compensation for such leasehold, wells, fixtures, and improvements, to be determined as in the case of condemnation; (iii) to suspend operations under any lease issued or authorized pursuant to or validated by title III of this Act, in which event the United States shall be liable to the lessee for such compensation as is required to be paid under the Constitution of the United States; and payment of rentals, minimum royalty, and royalty prescribed by such lease shall likewise be suspended during any period of suspension of operations, and the term of any suspended lease shall be extended by adding thereto any suspension period;

(b) the right to designate by and through the Secretary of Defense, with the approval of the President, as restricted, those areas of the continental shelf needed for navigational purposes or for national defense; and so long as such designation remains in effect no exploration or operations may be conducted on any part of the surface of such area except with the concurrence of the Secretary of Defense; and if operations or production under any lease theretofore issued on lands within any such restricted area shall be suspended, any payment of rents, minimum royalty, and royalty prescribed by such lease likewise shall be suspended during such period of suspension of operation and production, and the term of such lease shall be extended by adding thereto any such suspension period, and the United States shall be liable to the lessee for such compensation as is required to be paid under the Constitution of the United States;

(c) the ownership of and the right to extract helium from all gas produced from the continental shelf, subject to any lease issued pursuant to or validated by this Act under such general rules and regulations as shall be prescribed by the Secretary, but in the extraction of helium from such gas it shall be so extracted as to cause no substantial delay in the delivery of gas produced to the purchaser of such gas.

SEC. 16. GEOLOGICAL AND GEOPHYSICAL EXPLORATIONS.—The right of any person, subject to applicable provisions of law, and of any agency of the United States to conduct geological and geophysical explorations in the continental shelf, which do not interfere with or endanger actual operations under any lease issued pursuant to this Act, is hereby recognized.

SEC. 17. RIGHTS OF STATES NOT PREJUDICED.—Nothing contained in this Act shall operate to the prejudice of any State or of the United States in the determination by appropriate court action of any claim or claims of ownership or right of management, use, and disposition of the lands, minerals, or natural resources therein or thereunder within the continental shelf as these claims or rights may have existed prior to the passage of this Act. Any State which is found by appropriate court action to have owned or possessed, prior to the passage of this Act, the rights of management, use, or disposition of the lands, minerals, or other natural resources within any part of the continental shelf shall not by this Act be deprived of any such rights and powers.

SEC. 18. INTERPLEADER AND INTERIM ARRANGEMENTS.—(a) Notwithstanding the other provisions of this Act, if any lessee under any lease of submerged lands granted by any State, its political subdivisions, or grantees, prior to the effective

date of this Act, shall file with the Secretary a certificate executed by such lessee under oath and stating that doubt exists (i) as to whether an area covered by such lease lies within the continental shelf, or (ii) as to whom the rents, royalties, or other sums payable under such lease are lawfully payable, or (iii) as to the validity of the claims of the State which issued, or whose political subdivision or grantee issued, such lease to the area covered by the lease and that such claims have not been determined by a final judgment of a court of competent jurisdiction—

(1) the lessee may interplead the United States and, with their consent, the State or States concerned, in an action filed in the United States district court having jurisdiction in any part of the area, and, in the event of State consent to be interpleaded, deposit with the clerk of that court all rents, royalties, and other sums payable under such lease after the filing of such certificate, and such deposit shall be full performance of the lessee's obligation under such lease to make such payments; or

(2) the lessee may continue to pay all rents, royalties, and other sums payable under such lease to the State, its political subdivisions, or grantees, as in the lease provided, until it is determined by final judgment of a court of competent jurisdiction that such rents, royalties, and other sums should be paid otherwise, and thereafter such rents, royalties, and other sums shall be paid by said lessee in accordance with the determination of such final judgment. In the event it shall be determined by such final judgment that the United States is entitled to any moneys theretofore paid to any State or political subdivision or grantee thereof, such State, its political subdivision, or grantee, as the case may be, shall promptly account to the United States therefor; or

(3) the lessee of any such lease may file application for an exchange lease under section 10 hereof at any time prior to the expiration of six months after it is determined by final judgment of a court of competent jurisdiction that the claims of the State which issued, or whose political subdivision or grantee issued, such lease to the area covered by the lease are invalid as against the United States and that the lands covered by such lease are within the continental shelf.

(b) If any area of the continental shelf or other lands covered by this Act included in any lease issued by a State or its political subdivision or grantee is involved in litigation between the United States and such State, its political subdivision, or grantee, the lessee in such lease shall have the right to intervene in such action and deposit with the clerk of the court in which such case is pending any rents, royalties, and other sums payable under the lease subsequent to the effective date of this Act, and such deposit shall be full discharge and acquittance of the lessee for any payment so made.

SEC. 19. If any provision of this Act or the application thereof to any person or circumstance is held invalid, the validity of the remainder of the Act and of the application of such provision to other persons and circumstances shall not be affected thereby.

[H. R. 2478, 83d Cong., 1st sess.]

A BILL To confirm and establish the titles of the States to lands beneath navigable waters within State boundaries and to the natural resources within such lands and waters, to provide for the use and control of said lands and resources, and to provide for the use, control, exploration, development, and conservation of certain resources of the continental shelf lying outside of State boundaries

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Submerged Lands Act".

TITLE I

DEFINITION

SEC. 2. When used in this Act—

(a) The term "lands beneath navigable waters" includes (1) all lands within the boundaries of each of the respective States which were covered by waters navigable under the laws of the United States at the time such State became a member of the Union, and all lands permanently or periodically covered by tidal waters up to but not above the line of mean high tide and seaward to a line

three geographical miles distant from the coastline of each such State and to the boundary line of each such State where in any case such boundary as it existed at the time such State became a member of the Union, or as heretofore or hereafter approved by Congress, extends seaward (or into the Great Lakes or Gulf of Mexico) beyond three geographical miles, and (2) all filled in, made, or reclaimed lands which formerly were lands beneath navigable waters, as herein defined; the term "boundaries" includes the seaward boundaries of a State or its boundaries in the Gulf of Mexico or any of the Great Lakes as they existed at the time such State became a member of the Union, or as heretofore or hereafter approved by the Congress, or as extended or confirmed pursuant to section 4 hereof;

(b) The term "coastline" means the line of ordinary low water along that portion of the coast which is in direct contact with the open sea and the line marking the seaward limit of inland waters, which include all estuaries, ports, harbors, bays, channels, straits, historic bays, and sounds, and all other bodies of water which join the open sea;

(c) The terms "grantees" and "lessees" include (without limiting the generality thereof) all political subdivisions, municipalities, public and private corporations, and other persons holding grants or leases from a State, or its predecessor sovereign, to lands beneath navigable waters if such grants or leases were issued in accordance with the constitution, statutes, and decisions of the courts of the State in which such lands are situated, or of its predecessor sovereign: *Provided, however*, That nothing herein shall be construed as conferring upon said grantees or lessees any greater rights or interests other than are described herein and in their respective grants from the State, or its predecessor sovereign;

(d) The term "natural resources" shall include, without limiting the generality thereof, oil, gas, and all other minerals, and fish, shrimp, oysters, clams, crabs, lobsters, sponges, kelp, and other marine animal and plant life but shall not include water power or the use of water for the production of power at any site where the United States now owns the water power;

(e) The term "lands beneath navigable waters" shall not include the beds of streams in lands now or heretofore constituting a part of the public lands of the United States if such streams were not meandered in connection with the public survey of such lands under the laws of the United States;

(f) The term "continental shelf" means all submerged lands (1) which lie outside and seaward of lands beneath navigable waters as defined hereinabove in section 2 (a); and (2) of which the subsoil and natural resources appertain to the United States and are subject to its jurisdiction and control;

(g) The term "Secretary" means the Secretary of the Interior;

(h) The term "State" means any State of the Union;

(i) The term "coastal States" shall mean those States any portion of which borders upon the Atlantic Ocean, the Gulf of Mexico, or the Pacific Ocean;

(j) The term "person" includes any citizen of the United States, an association of such citizens, a State, a political subdivision of a State, or a private, public, or municipal corporation organized under the laws of the United States or of any State;

(k) The term "lease" whenever used with reference to action by a State or its political subdivision or grantee shall be regarded as including any form of authorization for the use, development or production of lands beneath navigable waters or lands of the continental shelf and the natural resources therein and thereunder, and the term "lessee" whenever used in such connection, shall be regarded as including any person having the right to develop or produce natural resources and any person having the right to use or develop lands beneath navigable waters or lands of the continental shelf under any such form of authorization;

(l) The term "Mineral Leasing Act" shall mean the Act of February 25, 1920 (41 Stat. 437; 30 U. S. C., sec. 181 and the following), and all Acts heretofore enacted which are amendatory thereof or supplementary thereto.

TITLE II

LANDS BENEATH NAVIGABLE WATERS WITHIN STATE BOUNDARIES

SEC. 3. RIGHTS OF THE STATES.—(a) It is hereby determined and declared to be in the public interest that (1) title to and ownership of the lands beneath navigable waters within the boundaries of the respective States, and the natural resources within such lands and waters, and (2) the right and power to manage,

administer, lease, control, develop, and use the said natural resources all in accordance with applicable State law be, and they are hereby, subject to the provisions hereof, severally recognized, confirmed, established, vested in and/or delegated to the respective States or the persons who were on June 5, 1950, entitled thereto under the law of the respective States in which the land is located, and the respective grantees, lessees, or successors in interest thereof.

(b) (1) The United States hereby releases and relinquishes unto said States and persons aforesaid all right, title, and interest of the United States, if any it has, in and to all said lands, moneys, improvements, and natural resources.

(2) The United States hereby releases and relinquishes all claims of the United States, if any it has, arising out of any operations of said States or persons pursuant to State authority upon or within said lands and navigable waters.

(3) The Secretary or the Treasurer of the United States shall pay to the respective States or their grantees issuing leases covering such lands or natural resources all moneys paid or tendered thereunder to the Secretary or to the Treasurer of the United States and subject to the control of either of them or to the control of the United States on the effective date of this Act, except that portion of such moneys which the Secretary is obligated to return to a lessee who does not consent to such payment.

(c) The rights, power, and titles hereby recognized, confirmed, established, vested in, and delegated to the respective States and their grantees are subject to each lease executed by a State, or its grantee, which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, and such rights, powers, and titles are further subject to the rights herein now granted to any person holding any such lease to continue to maintain the lease, and to conduct operations thereunder, in accordance with its provisions, for the full term thereof, and any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued such lease: *Provided, however*, That, if oil or gas was not being produced from such lease on and before December 11, 1950, or if the primary term of such lease has expired since December 11, 1950, then for a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provision of such lease or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, such lease: *Provided, however*, That within ninety days from the effective date hereof (i) the lessee shall pay to the State or its grantee issuing such lease all rentals, royalties, and other sums payable between June 5, 1950, and the effective date hereof under such lease and the laws of the State issuing or whose grantee issued such lease, except such rentals, royalties, and other sums as have been paid to the State, its grantee, the Secretary, or the Treasurer of the United States and not refunded to the lessee; and (ii) the lessee shall file with the Secretary, and with the State issuing or whose grantee issued such lease, instruments consenting to the payment by the Secretary, or the Treasurer of the United States, to the State or its grantee issuing the lease, of all rentals, royalties, and other payments under the control of the Secretary or the Treasurer of the United States which have been paid under the lease, except such rentals, royalties, and other payments as have also been paid by the lessee to the State or its grantee.

(d) Nothing in this Act shall affect the use, development, improvement, or control by or under the constitutional authority of the United States of said lands and waters for the purposes of navigation or flood control or the production of power at any site where the United States now owns or may hereafter acquire the water power, or be construed as the release or relinquishment of any rights of the United States arising under the constitutional authority of Congress to regulate or improve navigation or to provide for flood control or the production of power at any site where the United States now owns the water power.

(e) Nothing in this Act shall be construed as affecting or intending to affect or in any way interfere with or modify the laws of the States which lie wholly or in part westward of the ninety-eighth meridian, relating to the ownership and control of ground and surface waters; and the control, appropriation, use, and distribution of such waters shall continue to be in accordance with the laws of such States.

(f) In the event any lease covers lands beneath navigable waters as well as other lands the provisions of this section shall apply to such lease only insofar as it covers lands beneath navigable waters.

SEC. 4. SEAWARD BOUNDARIES.—Any State which has not already done so may extend its seaward boundaries to a line three geographical miles distant from its coast line, or in the case of the Great Lakes, to the international boundary of the United States. Any claim heretofore or hereafter asserted either by constitutional provision, statute, or otherwise, indicating the intent of a State so to extend its boundaries is hereby approved and confirmed, without prejudice to its claim, if any it has, that its boundaries extend beyond that line. Nothing in this section is to be construed as questioning or in any manner prejudicing the existence of any State's seaward boundary beyond three geographical miles if it was so provided by its constitution or laws prior to or at the time such State became a member of the Union, or if it has been heretofore or is hereafter approved by Congress.

SEC. 5. EXCEPTION FROM OPERATION OF SECTION 3 OF THIS ACT.—There is excepted from the operation of section 3 of this Act—

(a) all specifically described tracts or parcels of land and resources therein or improvements thereon title to which has been lawfully and expressly acquired by the United States from any State or from any person in whom title had vested under the decisions of the courts of such State, or their respective grantees, or successors in interest, by cession, grant, quitclaim, or condemnation, or from any other owner or owners thereof by conveyance or by condemnation, provided such owner or owners had lawfully acquired the title to such lands and resources in accordance with the statutes or decisions of the courts of the State in which the lands are located; and

(b) such lands beneath navigable waters within the boundaries of the respective States and such interests therein as are held by the United States in trust for the benefit of any tribe, band, or group of Indians or for individual Indians.

SEC. 6. POWERS RETAINED BY THE UNITED STATES.—(a) The United States retains all its rights in and powers of regulation and control of said lands and navigable waters for the purposes of commerce, navigation, national defense, and international affairs, except the proprietary rights of ownership, and the rights of management, administration, leasing, use, development, and control of the lands and natural resources which are specifically recognized, confirmed, established, vested in, and delegated to the respective States and others by section 3 of this Act.

(b) In time of war when necessary for national defense, and the Congress or the President shall so prescribe, the United States shall have the right of first refusal to purchase at the prevailing market price, all or any portion of the said natural resources, or to acquire and use any portion of said lands by proceeding in accordance with due process of law and paying just compensation therefor.

SEC. 7. Nothing in this Act shall be deemed to amend, modify, or repeal the Acts of July 26, 1866 (14 Stat. 251), July 9, 1870 (16 Stat. 217), March 3, 1877 (19 Stat. 377), and June 17, 1902 (32 Stat. 388), and Acts amendatory thereof or supplementary thereto.

TITLE III

CONTINENTAL SHELF OUTSIDE STATE BOUNDARIES

SEC. 8. JURISDICTION OVER CONTINENTAL SHELF.—(a) It is hereby declared to be the policy of the United States that the natural resources of the subsoil and sea bed of the continental shelf appertain to the United States and are subject to its jurisdiction, control, and power of disposition as provided in this Act. Except to the extent that it is exercised in a manner inconsistent with applicable Federal laws, the police power of each coastal State may extend to that portion of the continental shelf which would be within the boundaries of such State if extended seaward to the outer margin of the continental shelf. The police power includes, but is not limited to, the power of taxation, conservation, and control of the manner of conducting geophysical explorations. This Act shall be construed in such manner that the character as high seas of the waters above the continental shelf and the right to their free and unimpeded navigation shall not be affected.

(b) Oil and gas deposits in the continental shelf shall be subject to control and disposal only in accordance with the provisions of this Act and no rights in or claims to such deposits, whether based upon applications filed or other action taken heretofore or hereafter, shall be recognized except in accordance with the provisions of this Act.

SEC. 9. PROVISIONS FOR LEASING OF CONTINENTAL SHELF.—(a) When requested by any responsible and qualified person interested in purchasing oil and gas leases on any area of the continental shelf not then under lease issued by the abutting State or the Federal Government, or when in the Secretary's opinion there is a demand for the purchase of such leases, the Secretary shall offer for sale, on competitive sealed bidding, oil and gas leases on such area. Subject to the other terms and provisions hereof, sales of leases shall be made to the responsible and qualified bidder bidding the highest cash bonus per leasing unit. Notice of sale of oil and gas leases shall be published at least thirty days before the date of sale in accordance with rules and regulations promulgated by the Secretary, which publication shall contain (i) a description of the tracts into which the area to be leased has been subdivided by the Secretary for leasing purposes, such tracts being herein called "leasing units"; (ii) the minimum bonus per acre which will be accepted by the Secretary on each leasing unit; (iii) the amount of royalty as specified hereinafter in section 9 (d); (iv) the amount of rental per acre per annum on each leasing unit as specified hereinafter in section 9 (d); and (v) the time and place at which all bids shall be opened in public.

(b) The leasing units shall be in reasonably compact form of such area and dimensions as may be determined by the Secretary, but shall not be less than six hundred and forty acres nor more than two thousand five hundred and sixty acres if within the known geologic structure of a producing oil or gas field and shall not be less than two thousand five hundred and sixty acres nor more than seven thousand six hundred and eighty acres if not within any known geologic structure of a producing oil or gas field.

(c) Oil and gas leases sold under the provisions of this section shall be for the primary terms of five years and shall continue so long thereafter as oil or gas is produced therefrom in paying quantities. Each lease shall contain provisions requiring the exercise of reasonable diligence, skill, and care in the operation of the lease, and requiring the lessee to conduct his operations thereon in accordance with sound and efficient oil-field practices to prevent waste of oil or gas discovered under said lease or the entrance of water through wells drilled by him to the oil or gas sands or oil and gas bearing strata or the injury or destruction of the oil and gas deposits.

(d) Each lease shall provide that, on or after the discovery of oil or gas, the lessee shall pay a royalty of not less than 12½ per centum in amount or value of the production saved, removed, or sold from the leasing unit and, in any event, not less than $1 per acre per annum in lieu of rental for each lease year commencing after discovery. If after discovery of oil or gas the production thereof should cease from any cause, the lease shall not terminate if lessee commences additional drilling or reworking operations within ninety days thereafter or, if it be within the primary term, commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of ninety days from date of cessation of production. All leases issued hereunder shall be conditioned upon the payment by the lessee of a rental of $1 per acre per annum for the second and every lease year thereafter during the primary term and in lieu of drilling operations on or production from the leasing unit, all such rentals to be payable on or before the beginning of each lease year.

(e) If, at the expiration of the primary term of any lease, oil or gas is not being produced in paying quantities on a leasing unit, but drilling operations are commenced not less than one hundred eighty days prior to the end of the primary term and such drilling operations or other drilling operations have been and are being diligently prosecuted and the lessee has otherwise performed his obligations under the lease, the lease shall remain in force so long as drilling operations are prosecuted with reasonable diligence and in a good and workmanlike manner, and if they result in the production of oil or gas so long thereafter as oil or gas is produced therefrom in paying quantities.

(f) Should a lessee in a lease issued under the provisions of title III of this Act fail to comply with any of the provisions of this Act or of the lease, such lease may, upon proper showing, be canceled in an appropriate court proceeding because of such failure; but before the institution of such a court proceeding the Secretary shall allow the lessee twenty days in which to show cause in writing why the proceeding should not be instituted, and any submission made by the lessee during that period shall be given consideration by the Secretary in determining whether to recommend to the Attorney General that a court proceeding be instituted against the lessee. If a lease or any interest therein

is owned or controlled, directly or indirectly, in violation of any of the provisions of this Act, the lease may be canceled, or the interest so owned or controlled may be forfeited or the person so owning or controlling the interest may be compelled to dispose of the interest in an appropriate court proceeding.

(g) The provisions of sections 17, 17 (b), 28, 30, 30 (a), 30 (b), 32, 36, and 39 of the Mineral Leasing Act to the extent that such provisions are not inconsistent with their application to the submerged lands of the continental shelf or with the terms of this Act, are made applicable to lands leased or subject to lease by the Secretary under title III of this Act.

(h) Each lease shall contain such other terms and provisions consistent with the provisions of this Act as may be prescribed by the Secretary. The Secretary may delegate his authority under this Act to officers or employees of the Department of the Interior and may authorize subdelegation to the extent that he may deem proper.

(i) Citizens of another country, the laws, customs, or regulations of which deny similar or like privileges to citizens or corporations of this country, shall not directly or by stock ownership, stock holding, stock control, trusteeship, or otherwise, own or control any interest in any lease acquired under the provisions of this section. Any ownership or interest forbidden in this section which may be acquired by descent, will, judgment, or decree may be held for two years and not longer after its acquisition. No lands leased under the provisions of this section shall be subleased, trusteed, possessed, or controlled by any device or in any manner whatsoever so that they form a part of or are in anywise controlled by any combination in the form of an unlawful trust, with the consent of the lessee, or form the subject in whole or in part of any contract, agreement, understanding, or conspiracy, entered into by the lessee, to restrain trade or commerce in the production or sale of oil or gas or to control the price of oil or gas.

(j) Any lease obtained through the exercise of fraud or misrepresentation, or which is not performed in accordance with its terms or with this law, may by appropriate court action be invalidated.

SEC. 10. EXCHANGE OF EXISTING STATE LEASES IN CONTINENTAL SHELF FOR FEDERAL LEASES.—(a) The Secretary is authorized and directed to issue a lease to any person in exchange for a lease covering lands in the continental shelf which (i) was issued by any State or its grantee prior to January 1, 1949, and which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, or (ii) was issued with the approval of the Secretary subsequent to January 1, 1949, and prior to the effective date of this Act and which on the effective date hereof was in force and effect in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease. Any lease issued pursuant to this section shall be for a term from the effective date hereof equal to the unexpired term of the old lease, or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, the same: *Provided, however*, That, if oil or gas was not being produced from such old lease on and before December 11, 1950, or if the primary term of such lease has expired since December 11, 1950, then any such new lease shall be for a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provisions of the old lease or any extensions, renewals, or placements authorized therein or heretofore authorized by the laws of the State issuing or whose grantee issued such lease shall cover the same natural resources and the same portion of the continental shelf as the old lease, shall provide for payment to the United States of the same rentals, royalties, and other payments as are provided for in the old lease, and shall include such other terms and provisions, consistent with the provisions of this Act, as may be prescribed by the Secretary. Operations under such old lease may be conducted as therein provided until the issuance of an exchange lease hereunder or until it is determined that no such exchange lease shall be issued. No lease which has been determined by appropriate court action to have been obtained by fraud or misrepresentation shall be accepted for exchange under this section.

(b) No such exchange lease shall be issued unless, (i) an application therefor, accompanied by a copy of the lease from the State or its political subdivision or grantee offered in exchange, is filed with the Secretary within six months from the effective date of this Act, or within such further period as provided in section 17 hereof, or as may be fixed from time to time by the Secretary; (ii) the applicant states in his application that the lease applied for shall be subject

to the same overriding royalty obligations as the lease issued by the State or its political subdivision or grantee; (iii) the applicant pays to the United States all rentals, royalties, and other sums due to the lessor under the old lease which have or may become payable after December 11, 1950, and which have not been paid to the lessor or to the Secretary under the old lease; (iv) the applicant furnishes such surety bond, if any, as the Secretary may require and complies with such other reasonable requirements as the Secretary may deem necessary to protect the interests of the United States; and (v) the applicant files with the Secretary a certificate issued by the State official or agency having jurisdiction showing that the old lease was in force and effect in accordance with its terms and provisions and the laws of the State issuing it on the applicable date provided for in subsection (a) of this section; or, in the absence of such certificate, evidence in the form of affidavit, receipts, canceled checks, and other documents showing such facts.

(c) All rentals, royalties, and other sums payable under any such lease after December 11, 1950, and before the issuance of an exchange lease as herein provided, may be paid to the United States, subject, however, to accounting to the State which issued such lease or under whose authority the same was issued, in accordance with the provisions of section 12 hereof.

(d) In the event any lease covers lands of the continental shelf as well as other lands, the provisions of this section shall apply to such lease insofar only as it covers lands of the continental shelf.

SEC. 11. SECRETARY MAY CONTRACT WITH STATE AGENCIES.—The Secretary may, by contract, designate the proper agency of any State as agent to make, exchange, or administer Federal leases in accordance with the provisions of this Act; provided the area covered by the contract is within the boundaries of such State, if extended seaward to the outer margin of the continental shelf. Any such contract may provide for payment to the State office or agency of actual expenses incurred in the performance thereof.

SEC. 12. ACTIONS INVOLVING CONTINENTAL SHELF.—Any court proceeding involving the continental shelf may be instituted in the United States district court for the district in which the lessee, or the person owning or controlling the lease interest, may be found or for the district in which the leased property, or some part thereof, is located; or, if no part of the leased property is within any district, for the district nearest to the property involved.

SEC. 13. DIVISION OF PROCEEDS FROM THE CONTINENTAL SHELF.—Each coastal State is hereby vested with the right to 37½ per centum of all moneys received by the United States, after the effective date of this Act, as bonus payments, rentals, and royalties with respect to operations for oil, gas, or other minerals in lands in the continental shelf which would be within the boundaries of such State if extended seaward to the outer margin of the continental shelf; and the Secretary of the Treasury within ninety days after the expiration of each fiscal year shall pay to each such State the moneys to which it is so entitled. All other moneys received by the United States from operations in the continental shelf, under the provisions of this Act, shall be paid into the Treasury of the United States and applied to the payment of the principal of the national debt. If and whenever the United States shall take and receive in kind all or any part of the royalties referred to in this section, the value of such royalties so taken in kind shall be deemed to be the prevailing market price thereof at the time and place of production, and there shall be paid to the State entitled thereto as provided in this section 37½ per centum of the value of such royalties.

SEC. 14. REFUNDS.—When it appears to the satisfaction of the Secretary that any person has made a payment to the United States in connection with any lease under this Act in excess of the amount he was lawfully required to pay, such excess shall be repaid to such person or his legal representative, if a request for repayment of such excess is filed with the Secretary within two years after the issuance of the lease or the making of the payment. The Secretary shall certify the amounts of all such repayments to the Secretary of the Treasury, who is authorized and directed to make such repayments out of any moneys not otherwise appropriated and to issue his warrant in settlement thereof.

SEC. 15. WAIVER OF LIABILITY FOR PAST OPERATIONS.—(a) No State, or political subdivision, grantee, or lessee shall be liable to or required to account to the United States in any way for entering upon, using, exploring for, developing, producing, or disposing of natural resources from lands of the continental shelf prior to December 11, 1950.

(b) If it shall be determined by appropriate court action that fraud has been practiced in the obtaining of any lease referred to herein or in the operations thereunder, the waivers provided in this section shall not be effective.

SEC. 16. POWERS RESERVED TO THE UNITED STATES.——The United States reserves and retains—

(a) in time of war or when necessary for national defense, and when so prescribed by the Congress or the President, the right (i) of first refusal to purchase at the prevailing market price all or any portion of the oil or gas that may be produced from the continental shelf; (ii) to terminate any lease issued or authorized pursuant to or validated by title III of this Act, in which event the United States shall become the owner of wells, fixtures, and improvements located on the area of such lease and shall be liable to the lessee for just compensation for such leaseholds, wells, fixtures, and improvements, to be determined as in the case of condemnation; (iii) to suspend operations under any lease issued or authorized pursuant to or validated by title III of this Act, in which event the United States shall be liable to the lessee for such compensation as is required to be paid under the Constitution of the United States; and payment of rentals, minimum royalty, and royalty prescribed by such lease shall likewise be suspended during any period of suspension of operations, and the term of any suspended lease shall be extended by adding thereto any suspension period;

(b) the right to designate by and through the Secretary of Defense, with the approval of the President, as restricted, those areas of the continental shelf needed for navigational purposes or for national defense; and so long as such designation remains in effect no exploration or operations may be conducted on any part of the surface of such area except with the concurrence of the Secretary of Defense; and if operations or production under any lease theretofore issued on lands within any such restricted area shall be suspended, any payment of rentals, minimum royalty, and royalty prescribed by such lease likewise shall be suspended during such period of suspension of operation and production, and the term of such lease shall be extended by adding thereto any such suspension period, and the United States shall be liable to the lessee for such compensation as is required to be paid under the Constitution of the United States;

(c) the ownership of and the right to extract helium from all gas produced from the continental shelf, subject to any lease issued pursuant to or validated by this Act under such general rules and regulations as shall be prescribed by the Secretary, but in the extraction of helium from such gas it shall be so extracted as to cause no substantial delay in the delivery of gas produced to the purchaser of such gas.

SEC. 17. GEOLOGICAL AND GEOPHYSICAL EXPLORATIONS.—The right of any person, subject to applicable provisions of law, and of any agency of the United States to conduct geological and geophysical explorations in the continental shelf, which do not interfere with or endanger actual operations under any lease issued pursuant to this Act, is hereby recognized.

SEC. 18. INTERPLEADER AND INTERIM ARRANGEMENTS.—(a) Notwithstanding the other provisions of this Act, if any lessee under any lease of submerged lands granted by any State, its political subdivisions, or grantees, prior to the effective date of this Act, shall file with the Secretary a certificate executed by such lessee under oath and stating that doubt exists (i) as to whether an area covered by such lease lies within the continental shelf, or (ii) as to whom the rentals, royalties, or other sums payable under such lease are lawfully payable, or (iii) as to the validity of the claims of the State which issued, or whose political subdivision or grantee issued, such lease to the area covered by the lease and that such claims have not been determined by a final judgment of a court of competent jurisdiction—

(1) the lessee may interplead the United States and, with their consent, the State or States concerned, in an action filed in the United States district court having jurisdiction of any part of the area, and, in the event of State consent to be interpleaded, deposit with the clerk of that court all rentals, royalties, and other sums payable under such lease after filing of such certificate, and such deposit shall be full performance of the lessee's obligation under such lease to make such payments; or

(2) the lessee may continue to pay all rentals, royalties, and other sums payable under such lease to the State, its political subdivisions, or grantees, as in the lease provided, until it is determined by final judgment of a court of competent jurisdiction that such rentals, royalties, and other sums should be paid otherwise, and thereafter such rentals, royalties, and other

sums shall be paid by said lessee in accordance with the determination of such final judgment. In the event it shall be determined by such final judgment that the United States is entitled to any moneys theretofore paid to any State or political subdivision or grantee thereof, such State, its political subdivision, or grantee, as the case may be, shall promptly account to the United States therefor; and

(3) the lessee of any such lease may file application for an exchange lease under section 10 hereof at any time prior to the expiration of six months after it is determined by final judgment of a court of competent jurisdiction that the claims of the State which issued, or whose political subdivision or grantee issued, such lease to the area covered by the lease are invalid as against the United States and that the lands covered by such lease are within the continental shelf.

(b) If any area of the continental shelf or other lands covered by this Act included in any lease issued by a State or its political subdivision or grantee is involved in litigation between the United States and such State, its political subdivision, or grantee, the lessee in such lease shall have the right to intervene in such action and deposit with the clerk of the court in which such case is pending any rentals, royalties, and other sums payable under the lease subsequent to the effective date of this Act, and such deposit shall be full discharge and acquittance of the lessee for any payment so made.

TITLE IV

GENERAL

SEC. 19. SEPARABILITY.—If any provision of this Act or any section, subsection, sentence, clause, phrase, or individual word, or the application thereof to any person or circumstance is held invalid, the validity of the remainder of the Act and of the application of any such provision, section, subsection, sentence, clause, phrase, or individual word to other persons and circumstances shall not be affected thereby; without limiting the generality of the foregoing, if subsection 3 (a) 1, 3 (a) 2, 3 (b) 1, 3 (b) 3, or 3 (c) or any provision of any of those subsections is held invalid, such subsection or provision shall be held separable and the remaining subsections and provisions shall not be affected thereby.

[H. R. 2719, 83d Cong., 1st sess.]

A BILL To confirm and establish the titles of the States to lands beneath navigable waters within State boundaries and to the natural resources within such lands and waters, and to provide for the use and control of said lands and resources

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Submerged Lands Act".

TITLE I

DEFINITION

SEC. 2. When used in this Act—

(a) The term "lands beneath navigable waters" includes (1) all lands within the boundaries of each of the respective States which were covered by waters navigable under the laws of the United States at the time such State became a member of the Union, and all lands permanently or periodically covered by tidal waters up to but not above the line of mean high tide and seaward to a line three geographical miles distant from the coast line of each such State and to the boundary line of each such State where in any case such boundary as it existed at the time such State became a member of the Union, or as heretofore or hereafter approved by Congress, extends seaward (or into the Great Lakes or Gulf of Mexico) beyond three geographical miles, and (2) all filled in, made, or reclaimed lands which formerly were lands beneath navigable waters, as herein defined; the term "boundaries" includes the seaward boundaries of a State or its boundaries in the Gulf of Mexico or any of the Great Lakes as they existed at the time such State became a member of the Union, or as heretofore or hereafter approved by the Congress, or as extended or confirmed pursuant to section 4 hereof.

(h) The term "coast line" means the line of ordinary low water along that portion of the coast which is in direct contact with the open sea and the line marking the seaward limit of inland waters, which include all estuaries, ports, harbors, bays, channels, straits, historic bays, and sounds, and all other bodies of water which join the open sea.

(c) The terms "grantees" and "lessees" include (without limiting the generality thereof) all political subdivisions, municipalities, public and private corporations, and other persons holding grants or leases from a State, or its predecessor sovereign, to lands beneath navigable waters if such grants or leases were issued in accordance with the constitution, statutes, and decisions of the courts of the State in which such lands are situated, or of its predecessor sovereign: *Provided, however*, That nothing herein shall be construed as conferring upon said grantees or lessees any greater rights or interests other than are described herein and in their respective grants from the State, or its predecessor sovereign.

(d) The term "natural resources" shall include, without limiting the generality thereof, oil, gas, and all other minerals and fish, shrimp, oysters, clams, crabs, lobsters, sponges, kelp, and other marine animal and plant life but shall not include water power or the use of water for the production of power at any site where the United States now owns the water power.

(e) The term "lands beneath navigable waters" shall not include the beds of streams in lands now or heretofore constituting a part of the public lands of the United States if such streams were not meandered in connection with the public survey of such lands under the laws of the United States.

(f) The term "State" means any State of the Union.

(g) The term "person" includes any citizen of the United States, an association of such citizens, a State, a political subdivision of a State, or a private, public, or municipal corporation organized under the laws of the United States or of any State.

TITLE II

LANDS BENEATH NAVIGABLE WATERS WITHIN STATE BOUNDARIES

SEC. 3. RIGHTS OF THE STATES.—(a) It is hereby determined and declared to be in the public interest that (1) title to and ownership of the lands beneath navigable waters within the boundaries of the respective States, and the natural resources within such lands and waters, and (2) the right and power to manage, administer, lease, control, develop, and use the said natural resources all in accordance with applicable State law be, and they are hereby, subject to the provisions hereof, severally recognized, confirmed, established, vested in and/or delegated to the respective States or the persons who were on June 5, 1950, entitled thereto under the law of the respective States in which the land is located, and the respective grantees, lessees, or successors in interest thereof.

(b) (1) The United States hereby releases and relinquishes unto said States and persons aforesaid all right, title, and interest of the United States, if any it has, in and to all said lands, moneys, improvements, and natural resources; (2) the United States hereby releases and relinquishes all claims of the United States, if any it has, arising out of any operations of said States or persons pursant to State authority upon or within said lands and navigable waters; and (3) the Secretary of the Interior or the Treasurer of the United States shall pay to the respective States or their grantees issuing leases covering such lands or natural resources all moneys paid or tendered thereunder to the Secretary or to the Treasurer of the United States and subject to the control of either of them or to the control of the United States on the effective date of this Act, except that portion of such moneys which the Secretary is obligated to return to a lessee who does not consent to such payment.

(c) The rights, powers, and titles hereby recognized, confirmed, established, vested in and delegated to the respective States and their grantees are subject to each lease executed by a State, or its grantee, which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, and such rights, powers, and titles are further subject to the rights herein now granted to any person holding any such lease to continue to maintain the lease, and to conduct operations thereunder, in accordance with its provisions, for the full term thereof, and any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued such lease: *Provided, however*, That, if oil or gas was not being produced from such lease on and before December 11, 1950, or if the primary term of such lease has expired

since December 11, 1950, then for a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provisions of such lease or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, such lease: *Provided, however,* That within ninety days from the effective date hereof (i) the lessee shall pay to the State or its grantee issuing such lease all rents, royalties, and other sums payable between June 5, 1950, and the effective date hereof, under such lease and the laws of the State issuing or whose grantee issued such lease, except such rents, royalties and other sums as have been paid to the State, its grantee, the Secretary of the Interior or the Treasurer of the United States and not refunded to the lessee; and (ii) the lessee shall file with the Secretary and with the State issuing or whose grantee issued such lease, instruments consenting to the payment by the Secretary or the Treasurer of the United States to the State or its grantee issuing the lease, of all rents, royalties, and other payments under the control of the Secretary, the Treasurer, or the United States which have been paid under the lease, except such rentals, royalties, and other payments as have also been paid by the lessee to the State or its grantee.

(d) Nothing in this Act shall affect the use, development, improvement, or control by or under the constitutional authority of the United States of said lands and waters for the purposes of navigation or flood control or the production of power at any site where the United States now owns or may hereafter acquire the water power or be construed as the release or relinquishment of any rights of the United States arising under the constitutional authority of Congress to regulate or improve navigation or to provide for the flood control or the production of power at any site where the United States now owns the water power.

(e) Nothing in this Act shall be construed as affecting or intending to affect or in any way interfere with or modify the laws of the States which lie wholly or in part westward of the ninety-eighth meridian, relating to the ownership and control of ground and surface waters; and the control, appropriation, use, and distribution of such waters shall continue to be in accordance with the laws of such States.

SEC. 4. SEAWARD BOUNDARIES.—Any State which has not already done so may extend its seaward boundaries to a line three geographical miles distant from its coast line, or in the case of the Great Lakes, to the international boundary of the United States. Any claim heretofore or hereafter asserted either by constitutional provision, statute, or otherwise, indicating the intent of a State so to extend its boundaries is hereby approved and confirmed, without prejudice to its claim, if any it has, that its boundaries extend beyond that line. Nothing in this section is to be construed as questioning or in any manner prejudicing the existence of any State's seaward boundary beyond three geographical miles if it was so provided by its Constitution or laws prior to or at the time such State became a member of the Union, or if it has been heretofore or is hereafter approved by Congress.

SEC. 5. EXCEPTIONS FROM OPERATION OF SECTION 3 OF THIS ACT.—There is excepted from the operation of section 3 of this Act—

(a) all specifically described tracts or parcels of land and resources therein or improvements thereon title to which has been lawfully and expressly acquired by the United States from any State or from any person in whom title had vested under the decisions of the courts of such State, or their respective grantees, or successors in interest, by cession, grant, quitclaim, or condemnation, or from any other owner or owners thereof by conveyance or by condemnation, provided such owner or owners had lawfully acquired the title to such lands and resources in accordance with the statutes or decisions of the courts of the State in which the lands are located; and

(b) such lands beneath navigable waters within the boundaries of the respective States and such interests therein as are held by the United States in trust for the benefit of any tribe, band, or group of Indians or for individual Indians.

SEC. 6. POWERS RETAINED BY THE UNITED STATES.—(a) The United States retains all its rights in and powers of regulation and control of said lands and navigable waters for the purposes of commerce, navigation, national defense, and international affairs except the proprietary rights of ownership, and the rights of management, administration, leasing, use, development, and control of the lands and natural resources which are specifically recognized, confirmed, established, vested in and delegated to the respective States and others by section 3 of this Act.

(b) In time of war when necessary for national defense, and the Congress or the President shall so prescribe, the United States shall have the right of first refusal to purchase at the prevailing market price, all or any portion of the said natural resources, or to acquire and use any portion of said lands by proceeding in accordance with due process of law and paying just compensation therefor.

SEC. 7. Nothing in this Act shall be deemed to amend, modify, or repeal the Acts of July 26, 1866 (14 Stat. 251), July 9, 1870 (16 Stat. 217), March 3, 1877 (19 Stat. 377), June 17, 1902 (32 Stat. 388), and December 22, 1944 (58 Stat. 887), and Acts amendatory thereof or supplementary thereto.

SEC. 8. SEPARABILITY.—If any provision of this Act, or any section, subsection, sentence, clause, phrase, or individual word, or the application thereof to any person or circumstance is held invalid, the validity of the remainder of the Act and of the application of any such provision, section, subsection, sentence, clause, phrase, or individual word to other persons and circumstances shall not be affected thereby; without limiting the generality of the foregoing, if subsection 3 (a) 1, 3 (a) 2, 3 (b) 1, 3 (b) 2, 3 (h) 3, or 3 (c) or any provision of any of those subsections is held invalid, such subsection or provision shall be held separable and the remaining subsections and provisions shall not be affected thereby.

SEC. 9. Nothing in this Act shall be deemed to affect in anywise any issues between the United States and the respective States relating to the ownership or control of that portion of the subsoil and sea bed of the continental shelf lying seaward and outside of the area of lands beneath navigable waters described in section 2 hereof.

[H. R. 2721, 83d Cong., 1st sess.]

A BILL To confirm and establish the titles of the States to lands beneath navigable waters within State boundaries and to the natural resources within such lands and waters, and to provide for the use and control of said lands and resources

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Submerged Lands Act".

TITLE I

DEFINITION

SEC. 2. When used in this Act—

(a) The term "lands beneath navigable waters" includes (1) all lands within the boundaries of each of the respective States which were covered by waters navigable under the laws of the United States at the time such State became a member of the Union, and all lands permanently or periodically covered by tidal waters up to but not above the line of mean high tide and seaward to a line three geographical miles distant from the coast line of each such State and to the boundary line of each such State where in any case such boundary as it existed at the time such State became a member of the Union, or as heretofore or hereafter approved by Congress, extends seaward (or into the Great Lakes or Gulf of Mexico) beyond three geographical miles, and (2) all filled in, made, or reclaimed lands which formerly were lands beneath navigable waters, as herein defined; the term "boundaries" includes the seaward boundaries of a State or its boundaries in the Gulf of Mexico or any of the Great Lakes as they existed at the time such State became a member of the Union, or as heretofore or hereafter approved by the Congress, or as extended or confirmed pursuant to section 4 hereof.

(b) The term "coast line" means the line of ordinary low water along that portion of the coast which is in direct contact with the open sea and the line marking the seaward limit of inland waters, which include all estuaries, ports, harbors, bays, channels, straits, historic bays, and sounds, and all other bodies of water which join the open sea.

(c) The terms "grantees" and "lessees" include (without limiting the generality thereof) all political subdivisions, municipalities, public and private corporations, and other persons holding grants or leases from a State, or its predecessor sovereign, to lands beneath navigable waters if such grants or leases were issued in accordance with the constitution, statutes, and decisions of the courts of the State in which such lands are situated, or of its predecessor sovereign: *Provided, however*, That nothing herein shall be construed as conferring upon said grantees or lessees any greater rights or interests other than are described herein and in their respective grants from the State, or its predecessor sovereign.

(d) The term "natural resources" shall include, without limiting the generality thereof, oil, gas, and all other minerals and fish, shrimp, oysters, clams, crabs, lobsters, sponges, kelp, and other marine animal and plant life but shall not include water power or the use of water for the production of power at any site where the United States now owns the water power.

(e) The term "lands beneath navigable waters" shall not include the beds of streams in lands now or heretofore constituting a part of the public lands of the United States if such streams were not meandered in connection with the public survey of such lands under the laws of the United States.

(f) The term "State" means any State of the Union.

(g) The term "person" includes any citizen of the United States, an association of such citizens, a State, a political subdivision of a State, or a private, public, or municipal corporation organized under the laws of the United States or of any State.

TITLE II

LANDS BENEATH NAVIGABLE WATERS WITHIN STATE BOUNDARIES

SEC. 3. RIGHTS OF THE STATES.—(a) It is hereby determined and declared to be in the public interest that (1) title to and ownership of the lands beneath navigable waters within the boundaries of the respective States, and the natural resources within such lands and waters, and (2) the right and power to manage, administer, lease, control, develop, and use the said natural resources all in accordance with applicable State law be, and they are hereby, subject to the provisions hereof, severally recognized, confirmed, established, vested in and/or delegated to the respective States or the persons who were on June 5, 1950, entitled thereto under the law of the respective States in which the land is located, and the respective grantees, lessees, or successors in interest thereof.

(b) (1) The United States hereby releases and relinquishes unto said States and persons aforesaid all right, title, and interest of the United States, if any it has, in and to all said lands, moneys, improvements, and natural resources; (2) the United States hereby releases and relinquishes all claims of the United States, if any it has, arising out of any operations of said States or persons pursuant to State authority upon or within said lands and navigable waters; and (3) the Secretary of the Interior or the Treasurer of the United States shall pay to the respective States or their grantees issuing leases covering such lands or natural resources all moneys paid or tendered thereunder to the Secretary or to the Treasurer of the United States and subject to the control of either of them or to the control of the United States on the effective date of this Act, except that portion of such moneys which the Secretary is obligated to return to a lessee who does not consent to such payment.

(c) The rights, powers, and titles hereby recognized, confirmed, established, vested in and delegated to the respective States and their grantees are subject to each lease executed by a State, or its grantee, which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, and such rights, powers, and titles are further subject to the rights herein now granted to any person holding any such lease to continue to maintain the lease, and to conduct operations thereunder, in accordance with its provisions, for the full term thereof, and any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued such lease: *Provided, however*, That, if oil or gas was not being produced from such lease on and before December 11, 1950, or if the primary term of such lease has expired since December 11, 1950, then for a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provisions of such lease or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, such lease: *Provided, however*, That within ninety days from the effective date hereof (i) the lessee shall pay to the State or its grantee issuing such lease all rents, royalties, and other sums payable between June 5, 1950, and the effective date hereof, under such lease and the laws of the State issuing or whose grantee issued such lease, except such rents, royalties, and other sums as have been paid to the State, its grantee, the Secretary of the Interior, or the Treasurer of the United States and not refunded to the lessee; and (ii) the lessee shall file with the Secretary and with the State issuing or whose grantee issued such lease, [illegible]ruments consenting to the payment by the Secretary or the Treasurer of the

United States to the State or its grantee issuing the lease, of all rent, royalties, and other payments under the control of the Secretary, the Treasurer, or the United States which have been paid under the lease, except such rentals, royalties, and other payments as have also been paid by the lessee to the State or its grantee.

(d) Nothing in this Act shall affect the use, development, improvement, or control by or under the constitution authority of the United States of said lands and waters for the purposes of navigation or flood control or the production of power at any site where the United States now owns or may hereafter acquire the water power or be construed as the release or relinquishment of any rights of the United States arising under the constitutional authority of Congress to regulate or improve navigation or to provide for the flood control or the production of power at any site where the United States now owns the water power.

(e) Nothing in this Act shall be construed as affecting or inteuding to affect or in any way interfere with or modify the laws of the States which lie wholly or in part westward of the ninety-eight meridan, relating to the ownership and control of ground and surface waters; and the control, appropriation, use, and distribution of such waters shall continue to be in accordance with the laws of such States.

SEC. 4. SEAWARD BOUNDARIES.—Any State which has not already done so may extend its seaward boundaries to a line three geographical miles distant from its coast line, or in the case of the Great Lakes, to the international boundary of the United States. Any claim heretofore or herenfter asserted either by constitutional provision, statute, or otherwise, indicating the intent of a State so to extend its boundaries is hereby approved and confirmed, without prejudice to its claim, if any it has, that its boundaries extend beyond that line. Nothing in this section is to be construed as questioning or in any manner prejudicing the existence of any State's seaward boundary beyond three geographical miles if it was so provided by its constitution or laws prior to or at the time such State became a member of the Union, or if it has been heretofore or is hereafter approved by Congress.

SEC. 5. EXEMPTIONS FROW OPERATION OF SECTION 3 OF THIS ACT. There is excepted from the operation of section 3 of this Act—

(a) all specifically described tracts or parcels of land and resources therein or improvements thereon title to which has been lawfully and expressly acquired by the United States from any State or from any person in whom title had vested under the decisions of the courts of such State, or their respective grantees, or successors in interest, by cession, grant, quitclaim, or condemnation, or from any other owner or owners thereof by conveyance or by condemnation, provided such owner or owners had lawfully acquired the title to such lands and resources in accordance with the statutes or decisions of the courts of the State in which the lands are located; and

(b) such lands beneath navigable waters within the boundaries of the respective States and such interests therein as are held by the United States in trust for the benefit of any tribe, band, or group of Indians or for individual Indians.

SEC. 6. POWERS RETAINED BY THE UNITED STATES.—(a) The United States retains all its rights in and powers of regulation and control of said lands and navigable waters for the purposes of commerce, navigation, national defense, and international affairs except the proprietary rights of ownership, and the rights of management, administration, leasing, use, development, and control of the lands and natural resources which are specifically recognized, confirmed, established, vested in and delegated to the respective States and others by section 3 of this Act.

(b) In time of war when necessary for national defense, and the Congress or the President shall so prescribe, the United States shall have the right of first refusal to purchase at the prevailing market price, all or any portion of the said natural resources, or to acquire and use any portion of said lands by proceeding in accordance with due process of law and paying just compensation therefor.

SEC. 7. Nothing in this Act shall be deemed to amend, modify, or repeal the Acts of July 26, 1866 (14 Stat. 251), July 9, 1870 (16 Stat. 217), March 3, 1877 (19 Stat. 377), June 17, 1902 (32 Stat. 388), and December 22, 1944 (58 Stat. 887), and Acts amendatory thereof or supplementary thereto.

SEC. 8. SEPARABILITY.—If any provision of this Act, or any section, subsection, sentence, clause, phrase, or individual word, or the application thereof to any

person or circumstance is held invalid, the validity of the remainder of the Act and of the application of any such provision, section, subsection, sentence, clause, phrase, or individual word to other persons and circumstances shall not be affected thereby; without limiting the generality of the foregoing, if subsection 3 (a) 1, 3 (a) 2, 3 (b) 1, 3 (b) 2, 3 (b) 3, or 3 (c) or any provision of any of those subsections is held invalid, such subsection or provision shall be held separable and the remaining subsections and provisions shall not be affected thereby.

SEC. 9. Nothing in this Act shall be deemed to affect in any wise any issues between the United States and the respective States relating to the ownership or control of that portion of the subsoil and sea bed of the continental shelf lying seaward and outside of the area of lands beneath navigable waters described in section 2 hereof.

[H. R. 2722, 83d Cong., 1st sess.]

A BILL To confirm and establish the titles of the States to lands beneath navigable waters within State boundaries and to the natural resources within such lands and waters, and to provide for the use and control of said lands and resources

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Submerged Lands Act."

TITLE I

DEFINITION

SEC. 2. When used in this Act—

(a) The term "lands beneath navigable waters" includes (1) all lands within the boundaries of each of the respective States which were covered by waters navigable under the laws of the United States at the time such State became a member of the Union, and all lands permanently or periodically covered by tidal waters up to but not above the line of mean high tide and seaward to a line three geographical miles distant from the coast line of each such State and to the boundary line of each such State where in any case such boundary as it existed at the time such State became a member of the Union, or as heretofore or hereafter approved by Congress, extends seaward (or into the Great Lakes or Gulf of Mexico) beyond three geographical miles, and (2) all filled in, made, or reclaimed lands which formerly were lands beneath navigable waters, as herein defined; the term "boundaries" includes the seaward boundaries of a State or its boundaries in the Gulf of Mexico or any of the Great Lakes as they existed at the time such State became a member of the Union, or as heretofore or hereafter approved by the Congress, or as extended or confirmed pursuant to section 4 hereof.

(b) The term "coast line" means the line of ordinary low water along that portion of the coast which is in direct contact with the open sea and the line marking the seaward limit of inland waters, which include all estuaries, ports, harbors, bays, channels, straits, historic bays, and sounds, and all other bodies of water which join the open sea.

(c) The terms "grantees" and "lessees" include (without limiting the generality thereof) all political subdivisions, municipalities, public and private corporations, and other persons holding grants or leases from a State, or its predecessor sovereign, to lands beneath navigable waters if such grants or leases were issued in accordance with the constitution, statutes, and decisions of the courts of the State in which such lands are situated, or of its predecessor sovereign: *Provided, however*, That nothing herein shall be construed as conferring upon said grantees or lessees any greater rights or interests other than are described herein and in their respective grants from the State, or its predecessor sovereign.

(d) The term "natural resources" shall include, without limiting the generality thereof, oil, gas, and all other minerals and fish, shrimp, oysters, clams, crabs, lobsters, sponges, kelp, and other marine animal and plant life but shall not include water power or the use of water for the production of power at any site where the United States now owns the water power.

(e) The term "lands beneath navigable waters" shall not include the beds of streams in lands now or heretofore constituting a part of the public lands of the United States if such streams were not meandered in connection with the public survey of such lands under the laws of the United States.

(f) The term "State" means any State of the Union.

(g) The term "person" includes any citizen of the United States, an association of such citizens, a State, a political subdivision of a State, or a private, public, or municipal corporation organized under the laws of the United States or of any State.

TITLE II

LANDS BENEATH NAVIGABLE WATERS WITHIN STATE BOUNDARIES

SEC. 3. RIGHTS OF THE STATES.—(a) It is hereby determined and declared to be in the public interest that (1) title to and ownership of the lands beneath navigable waters within the boundaries of the respective States, and the natural resources within such lands and waters, and (2) the right and power to manage, administer, lease, control, develop, and use the said natural resources all in accordance with applicable State law be, and they are hereby, subject to the provisions hereof, severally recognized, confirmed, established, vested in and/or delegated to the respective States or the persons who were on June 5, 1950, entitled thereto under the law of the respective States in which the land is located, and the respective grantees, lessees, or successors in interest thereof.

(b) (1) The United States hereby releases and relinquishes unto said States and persons aforesaid all right, title, and interest of the United States, if any it has, in and to all said lands, moneys, improvements, and natural resources; (2) the United States hereby releases and relinquishes all claims of the United States, if any it has, arising out of any operations of said States or persons pursuant to State authority upon or within said lands and navigable waters; and (3) the Secretary of the Interior or the Treasurer of the United States shall pay to the respective States or their grantees issuing leases covering such lands or natural resources all moneys paid or tendered thereunder to the Secretary or to the Treasurer of the United States and subject to the control of either of them or to the control of the United States on the effective date of this Act, except that portion of such moneys which the Secretary is obligated to return to a lessee who does not consent to such payment.

(c) The rights, powers, and titles hereby recognized, confirmed, established, vested in and delegated to the respective States and their grantees are subject to each lease executed by a State, or its grantee, which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, and such rights, powers, and titles are further subject to the rights herein now granted to any person holding any such lease to continue to maintain the lease, and to conduct operations thereunder, in accordance with its provisions, for the full term thereof, and any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued such lease: *Provided, however*, That, if oil or gas was not being produced from such lease on and before December 11, 1950, or if the primary term of such lease has expired since December 11, 1950, then for a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provisions of such lease or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, such lease: *Provided, however*, That within ninety days from the effective date hereof (i) the lessee shall pay to the State or its grantee issuing such lease all rents, royalties, and other sums payable between June 5, 1950, and the effective date hereof, under such lease and the laws of the State issuing or whose grantee issued such lease, except such rents, royalties, and other sums as have been paid to the State, its grantee, the Secretary of the Interior or the Treasurer of the United States and not refunded to the lessee; and (ii) the lessee shall file with the Secretary and with the State issuing or whose grantee issued such lease, instruments consenting to the payment by the Secretary or the Treasurer of the United States to the State or its grantee issuing the lease, of all rents, royalties, and other payments under the control of the Secretary, the Treasurer, or the United States which have been paid under the lease, except such rentals, royalties, and other payments as have also been paid by the lessee to the State or its grantee.

(d) Nothing in this Act shall affect the use, development, improvement, or control by or under the constitutional authority of the United States of said lands and waters for the purposes of navigation or flood control or the production of power at any site where the United States now owns or may hereafter ac-

quire the water power or be construed as the release or relinquishment of any rights of the United States arising under the constitutional authority of Congress to regulate or improve navigation or to provide for the flood control or the production of power at any site where the United States now owns the water power.

(e) Nothing in this Act shall be construed as affecting or intending to affect or in any way interfere with or modify the laws of the States which lie wholly or in part westward of the ninety-eighth meridian, relating to the ownership and control of ground and surface waters; and the control, appropriation, use, and distribution of such waters shall continue to be in accordance with the laws of such States.

SEC. 4. SEAWARD BOUNDARIES.—Any State which has not already done so may extend its seaward boundaries to a line three geographical miles distant from its coast line, or in the case of the Great Lakes, to the international boundary of the United States. Any claim heretofore or hereafter asserted either by constitutional provision, statute, or otherwise, indicating the intent of a State so to extend its boundaries is hereby approved and confirmed, without prejudice to its claim, if any it has, that its boundaries extend beyond that line. Nothing in this section is to be construed as questioning or in any manner prejudicing the existence of any State's seaward boundary beyond three geographical miles if it was so provided by its constitution or laws prior to or at the time such State became a member of the Union, or if it has been heretofore or is hereafter approved by Congress.

SEC. 5. EXCEPTIONS FROM OPERATION OF SECTION 3 OF THIS ACT.—There is excepted from the operation of section 3 of this Act—

(a) all specifically described tracts or parcels of land and resources therein or improvements thereon title to which has been lawfully and expressly acquired by the United States from any State or from any person in whom title had vested under the decisions of the courts of such State, or their respective grantees, or successors in interest, by cession, grant, quitclaim, or condemnation, or from any other owner or owners thereof by conveyance or by condemnation, provided such owner or owners had lawfully acquired the title to such lands and resources in accordance with the statutes or decisions of the courts of the State in which the lands are located; and

(b) such lands beneath navigable waters within the boundaries of the respective States and such interests therein as are held by the United States in trust for the benefit of any tribe, band, or group of Indians or for individual Indians.

SEC. 6. POWERS RETAINED BY THE UNITED STATES.—(a) The United States retains all its rights in and powers of regulation and control of said lands and navigable waters for the purposes of commerce, navigation, national defense, and international affairs except the proprietary rights of ownership, and the rights of management, administration, leasing, use, development, and control of the lands and natural resources which are specifically recognized, confirmed, established, vested in and delegated to the respective States and others by section 3 of this Act.

(b) In time of war when necessary for national defense, and the Congress or the President shall so prescribe, the United States shall have the right of first refusal to purchase at the prevailing market price, all or any portion of the said natural resources, or to acquire and use any portion of said lands by proceeding in accordance with due process of law and paying just compensation therefor.

SEC. 7. Nothing in this Act shall be deemed to amend, modify, or repeal the Acts of July 26, 1866 (14 Stat. 251), July 9, 1870 (16 Stat. 217), March 3, 1877 (19 Stat. 377), June 17, 1902 (32 Stat. 388), and December 22, 1944 (58 Stat. 887), and Acts amendatory thereof or supplementary thereto.

SEC. 8. SEPARABILITY.—If any provision of this Act, or any section, subsection, sentence, clause, phrase, or individual word, or the application thereof to any person or circumstance is held invalid, the validity of the remainder of the Act and of the application of any such provision, section, subsection, sentence, clause, phrase, or individual word to other persons and circumstances shall not be affected thereby; without limiting the generality of the foregoing, if subsection 3 (a) 1, 3 (a) 2, 3 (b) 1, 3 (h) 2, 3 (h) 3, or 3 (c) or any provision of any of those subsections is held invalid, such subsection or provision shall be held separable and the remaining subsections and provisions shall not be affected thereby.

SEC. 9. Nothing in this Act shall be deemed to affect in any wise any issues between the United States and the respective States relating to the ownership or control of that portion of the subsoil and sea bed of the continental shelf lying seaward and ouside of the area of lands beneath navigable waters described in section 2 hereof.

[H. R. 2726, 83d Cong., 1st sess.]

A BILL To confirm and establish the titles of the States to lands beneath navigable waters within State boundaries and to the natural resources within such lands and waters, and to provide for the use and control of said lands and resources

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Submerged Lands Act".

TITLE I

DEFINITION

SEC. 2. When used in this Act—

(a) The term "lands beneath navigable waters" includes (1) all lands within the boundaries of each of the respective States which were covered by waters navigable under the laws of the United States at the time such State became a member of the Union, and all lands permanently or periodically covered by tidal waters up to but not above the line of mean high tide and seaward to a line three geographical miles distant from the coast line of each such State and to the boundary line of each such State where in any case such boundary as it existed at the time such State became a member of the Union, or as heretofore or hereafter approved by Congress, extends seaward (or into the Great Lakes or Gulf of Mexico) beyond three geographical miles, and (2) all filled-in, made, or reclaimed lands which formerly were lands beneath navigable waters, as herein defined; the term "boundaries" includes the seaward boundaries of a State or its boundaries in the Gulf of Mexico or any of the Great Lakes as they existed at the time such State became a member of the Union, or as heretofore or hereafter approved by the Congress, or as extended or confirmed pursuant to section 4 hereof.

(b) The term "coast line" means the line of ordinary low water along that portion of the coast which is in direct contact with the open sea and the line marking the seaward limit of inland waters, which include all estuaries, ports, harbors, bays, channels, straits, historic bays, and sounds, and all other bodies of water which join the open sea.

(c) The terms "grantees" and "lessees" include (without limiting the generality thereof) all political subdivisions, municipalities, public and private corporations, and other persons holding grants or leases from a State, or its predecessor sovereign, to lands beneath navigable waters if such grants or leases were issued in accordance with the constitution, statutes, and decisions of the courts of the State in which such lands are situated, or of its predecessor sovereign: *Provided, however*, That nothing herein shall be construed as conferring upon said grantees or lessees any greater rights or interests other than are described herein and in their respective grants from the State, or its predecessor sovereign.

(d) The term "natural resources" shall include, without limiting the generality thereof, oil, gas, and all other minerals and fish, shrimp, oysters, clams, crabs, lobsters, sponges, kelp, and other marine animal and plant life but shall not include water power or the use of water for the production of power at any site where the United States now owns the water power.

(e) The term "lands beneath navigable waters" shall not include the beds of streams in lands now or heretofore constituting a part of the public lands of the United States if such streams were not meandered in connection with the public survey of such lands under the laws of the United States.

(f) The term "State" means any State of the Union.

(g) The term "person" includes any citizen of the United States, an association of such citizens, a State, a political subdivision of a State, or a private, public, or municipal corporation organized under the laws of the United States or of any State.

TITLE II

LANDS BENEATH NAVIGABLE WATERS WITHIN STATE BOUNDARIES

SEC. 3. RIGHTS OF THE STATES.—(a) It is hereby determined and declared to be in the public interest that (1) title to and ownership of the lands beneath navigable waters within the boundaries of the respective States, and the natural resources within such lands and waters, and (2) the right and power to manage, administer, lease, control, develop, and use the said natural resources all in accordance with applicable State law be, and they are hereby, subject to the provisions hereof, severally recognized, confirmed, established, vested in, and/or delegated to the respective States or the persons who were on June 5, 1950, entitled thereto under the law of the respective States in which the land is located, and the respective grantees, lessees, or successors in interest thereof.

(b) (1) The United States hereby releases and relinquishes unto said States and persons aforesaid all right, title, and interest of the United States, if any it has, in and to all said lands, moneys, improvements, and natural resources; (2) the United States hereby releases and relinquishes all claims of the United States, if any it has, arising out of any operations of said States or persons pursuant to State authority upon or within said lands and navigable waters; and (3) the Secretary of the Interior or the Treasurer of the United States shall pay to the respective States or their grantees issuing leases covering such lands or natural resources all moneys paid or tendered thereunder to the Secretary or to the Treasurer of the United States and subject to the control of either of them or to the control of the United States on the effective date of this Act, or except that portion of such moneys which the Secretary is obligated to return to a lessee who does not consent to such payment.

(c) The rights, powers, and titles hereby recognized, confirmed, established, vested in and delegated to the respective States and their grantees are subject to each lease executed by a State, or its grantee, which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, and such rights, powers, and titles are further subject to the rights herein now granted to any person holding any such lease to continue to maintain the lease, and to conduct operations thereunder, in accordance with its provisions, for the full term thereof, and any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued such lease: *Provided, however*, That, if oil or gas was not being produced from such lease on and before December 11, 1950, or if the primary term of such lease has expired since December 11, 1950, then for a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provisions of such lease or any extensions, renewals, or replacements authorized thereon, or heretofore authorized by the laws of the State issuing, or whose grantee issued, such lease: *Provided, however*, That within ninety days from the effective date hereof (i) the lessee shall pay to the State or its grantee issuing such lease all rents, royalties, and other sums payable between June 5, 1950, and the effective date hereof, under such lease and the laws of the State issuing or whose grantee issued such lease, except such rents, royalties, and other sums as have been paid to the State, its grantee, the Secretary of the Interior or the Treasurer of the United States and not refunded to the lessee; and (ii) the lessee shall file with the Secretary and with the State issuing or whose grantee issued such lease, instruments consenting to the payment by the Secretary or the Treasurer of the United States to the State or its grantee issuing the lease, of all rents, royalties, and other payments under the control of the Secretary, the Treasurer, or the United States which have been paid under the lease, except such rentals, royalties, and other payments as have also been paid by the lessee to the State or its grantee.

(d) Nothing in this Act shall affect the use, development, improvement, or control by or under the constitutional authority of the United States of said lands and waters for the purposes of navigation or flood control or the production of power at any site where the United States now owns or may hereafter acquire the water power or be construed as the release or relinquishment of any rights of the United States arising under the constitutional authority of Congress to regulate or improve navigation or to provide for the flood control or the production of power at any site where the United States now owns the water power.

(e) Nothing in this Act shall be construed as affecting or intending to affect or in any way interfere with or modify the laws of the States which lie wholly or in part westward of the ninety-eighth meridian, relating to the ownership and control of ground and surface waters; and the control, appropriation, use, and distribution of such waters shall continue to be in accordance with the laws of such States.

SEC. 4. SEAWARD BOUNDARIES.—Any State which has not already done so may extend its seaward boundaries to a line three geographical miles distant from its coast line, or in the case of the Great Lakes, to the international boundary of the United States. Any claim heretofore or hereafter asserted either by constitutional provision, statute, or otherwise, indicating the intent of a State so to extend its boundaries is hereby approved and confirmed, without prejudice to its claim, if any it has, that its boundaries extend beyond that line. Nothing in this section is to be construed as questioning or in any manner prejudicing the existence of any State's seaward boundary beyond three geographical miles if it was so provided by its constitution or laws prior to or at the time such State became a member of the Union, or if it has been heretofore or is hereafter approved by Congress.

SEC. 5. EXCEPTIONS FROM OPERATION OF SECTION 3 OF THIS ACT.—There is excepted from the operation of section 3 of this Act—

(a) all specifically described tracts or parcels of land and resources therein or improvements thereon title to which has been lawfully and expressly acquired by the United States from any State or from any person in whom title had vested under the decisions of the courts of such State, or their respective grantees, or successors in interest, by cession, grant, quitclaim, or condemnation, or from any other owner or owners thereof by conveyance or by condemnation, provided such owner or owners had lawfully acquired the title to such lands and resources in accordance with the statutes or decisions of the courts of the State in which the lands are located; and

(b) Such lands beneath navigable waters within the boundaries of the respective States and such interests therein as are held by the United States in trust for the benefit of any tribe, band, or group of Indians or for individual Indians.

SEC. 6. POWERS RETAINED BY THE UNITED STATES.—(a) The United States retains all its rights in and powers of regulation and control of said lands and navigable waters for the purposes of commerce, navigation, national defense, and international affairs except the proprietary rights of ownership, and the rights of management, administration, leasing, use, development, and control of the lands and natural resources which are specifically recognized, confirmed, established, vested in and delegated to the respective States and others by section 3 of this Act.

(b) In time of war when necessary for national defense, and the Congress or the President shall so prescribe, the United States shall have the right of first refusal to purchase at the prevailing market price, all or any portion of the said natural resources, or to acquire and use any portion of said lands by proceeding in accordance with due process of law and paying just compensation therefor.

SEC. 7. Nothing in this Act shall be deemed to amend, modify, or repeal the Acts of July 26, 1866 (14 Stat. 251), July 9, 1870 (16 Stat. 217), March 3, 1877 (19 Stat. 377), June 17, 1902 (32 Stat. 388), and December 22, 1944 (58 Stat. 887), and Acts amendatory thereof or supplementary thereto.

SEC. 8. SEPARABILITY.—If any provision of this Act, or any section, subsection, sentence, clause, phrase, or individual word, or the application thereof to any person or circumstance is held invalid, the validity of the remainder of the Act and of the application of any such provision, section, subsection, sentence, clause, phrase, or individual word to other persons and circumstances shall not be affected thereby; without limiting the generality of the foregoing, if subsection 3 (a) 1, 3 (a) 2, 3 (b) 1, 3 (b) 2, 3 (b) 3, or 3 (c) or any provision of any of those subsections is held invalid, such subsection or provision shall be held separable and the remaining subsections and provisions shall not be affected thereby.

SEC. 9. Nothing in this Act shall be deemed to affect in anywise any issues between the United States and the respective States relating to the ownership or control of that portion of the subsoil and sea bed of the continental shelf lying seaward and outside of the area of lands beneath navigable waters described in section 2 hereof.

[H. R. 2860, 83d Cong., 1st sess.]

A BILL To confirm and establish the titles of the States to lands beneath navigable waters within State boundaries and to the natural resources within such lands and waters, and to provide for the use and control of said lands and resources

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Submerged Lands Act".

TITLE I

DEFINITION

SEC. 2. When used in this Act—

(a) The term "lands beneath navigable waters" includes (1) all lands within the boundaries of each of the respective States which were covered by waters navigable under the laws of the United States at the time such State became a member of the Union, and all lands permanently or periodically covered by tidal waters up to but not above the line of mean high tide and seaward to a line three geographical miles distant from the coast line of each such State and to the boundary line of each such State where in any case such boundary as it existed at the time such State became a member of the Union, or as heretofore or hereafter approved by Congress, extends seaward (or into the Great Lakes or Gulf of Mexico) beyond three geographical miles, and (2) all filled in, made, or reclaimed lands which formerly were lands beneath navigable waters, as herein defined; the term "boundaries" includes the seaward boundaries of a State or its boundaries in the Gulf of Mexico or any of the Great Lakes as they existed at the time such State became a member of the Union, or as heretofore or hereafter approved by the Congress, or as extended or confirmed pursuant to section 4 hereof.

(b) The term "coast line" means the line of ordinary low water along that portion of the coast which is in direct contact with the open sea and the line marking the seaward limit of inland waters, which include all estuaries, ports, harbors, bays, channels, straits, historic bays, and sounds, and all other bodies of water which join the open sea.

(c) The terms "grantees" and "lessees" include (without limiting the generality thereof) all political subdivisions, municipalities, public and private corporations, and other persons holding grants or leases from a State, or its predecessor sovereign, to lands beneath navigable waters if such grants or leases were issued in accordance with the constitution, statutes, and decisions of the courts of the State in which such lands are situated, or of its predecessor sovereign: *Provided, however*, That nothing herein shall be construed as conferring upon said grantees or lessees any greater rights or interests other than are described herein and in their respective grants from the State, or its predecessor sovereign.

(d) The term "natural resources" shall include, without limiting the generality thereof, oil, gas, and all other minerals and fish, shrimp, oysters, clams, crabs, lobsters, sponges, kelp, and other marine animal and plant life but shall not include water power or the use of water for the production of power at any site where the United States now owns the water power.

(e) The term "lands beneath navigable waters" shall not include the beds of streams in lands now or heretofore constituting a part of the public lands of the United States if such streams were not meandered in connection with the public survey of such lands under the laws of the United States.

(f) The term "State" means any State of the Union.

(g) The term "person" includes any citizen of the United States, an association of such citizens, a State, a political subdivision of a State, or a private, public, or municipal corporation organized under the laws of the United States or of any State.

TITLE II

LANDS BENEATH NAVIGABLE WATERS WITHIN STATE BOUNDARIES

SEC. 3. RIGHTS OF THE STATES.—(a) It is hereby determined and declared to be in the public interest that (1) title to and ownership of the lands beneath navigable waters within the boundaries of the respective States, and the natural resources within such lands and waters, and (2) the right and power to manage, administer, lease, control, develop, and use the said natural resources all in accordance with applicable State law be, and they are hereby, subject to the

provisions hereof, severally recognized, confirmed, established, vested in and/or delegated to the respective States or the persons who were on June 5, 1950, entitled thereto under the law of the respective States in which the land is located, and the respective grantees, lessees, or successors in interest thereof.

(b) (1) The United States hereby releases and relinquishes unto said States and persons aforesaid all right, title and interest of the United States, if any it has, in and to all said lands, moneys, improvements, and natural resources; (2) the United States hereby releases and relinquishes all claims of the United States, if any it has, arising out of any operations of said States or persons pursuant to State authority upon or within said lands and navigable waters; and (3) the Secretary of the Interior or the Treasurer of the United States shall pay to the respective States or their grantees issuing leases covering such lands or natural resources all moneys paid or tendered thereunder to the Secretary or to the Treasurer of the United States and subject to the control of either of them or to the control of the United States on the effective date of this Act, except that portion of such moneys which the Secretary is obligated to return to a lessee who does not consent to such payment.

(c) The rights, powers, and titles hereby recognized, confirmed, established, vested in and delegated to the respective States and their grantees are subject to each lease executed by a State, or its grantee, which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, and such rights, powers, and titles are further subject to the rights herein now granted to any person holding any such lease to continue to maintain the lease, and to conduct operations thereunder, in accordance with its provisions, for the full term thereof, and any extensions, renewals, or replacements authorized therein, heretofore authorized by the laws of the State issuing, or whose grantee issued such lease: *Provided, however*, That, if oil or gas was not being produced from such lease on and before December 11, 1950, or if the primary term of such lease has expired since December 11, 1950, then for a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provisions of such lease or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, such lease: *Provided, however*, That within ninety days from the effective date hereof (i) the lessee shall pay to the State or its grantee issuing such lease all rents, royalties, and other sums payable between June 5, 1950, and the effective date hereof, under such lease and the laws of the State issuing or whose grantee issued such lease, except such rents, royalties, and other sums as have been paid to the State, its grantee, the Secretary of the Interior, or the Treasurer of the United States and not refunded to the lessee; and (ii) the lessee shall file with the Secretary and with the State issuing or whose grantee issued such lease, instruments consenting to the payment by the Secretary or the Treasurer of the United States to the State or its grantee issuing the lease, of all rents, royalties, and other payments under the control of the Secretary, the Treasurer, or the United States which have been paid under the lease, except such rentals, royalties, and other payments as have also been paid by the lessee to the State or its grantee.

(d) Nothing in this Act shall affect the use, development, improvement, or control by or under the constitutional authority of the United States of said lands and waters for the purposes of navigation or flood control or the production of power at any site where the United States now owns or may hereafter acquire the water power or be construed as the release or relinquishment of any rights of the United States arising under the constitutional authority of Congress to regulate or improve navigation or to provide for the flood control or the production of power at any site where the United States now owns the water power.

(e) Nothing in this Act shall be construed as affecting or intending to affect or in any way interfere with or modify the laws of the States which lie wholly or in part westward of the ninety-eighth meridian, relating to the ownership and control of ground and surface waters; and the control, appropriation, use, and distribution of such waters shall continue to be in accordance with the laws of such States.

SEC. 4. SEAWARD BOUNDARIES.—Any State which has not already done so may extend its seaward boundaries to a line three geographical miles distant from its coast line, or in the case of the Great Lakes, to the international boundary of the United States. Any claim heretofore or hereafter asserted either by constitutional provision, statute, or otherwise, indicating the intent of a State so to extend its boundaries is hereby approved and confirmed, without prejudice to its claim, if any it has, that its boundaries extend beyond that line. Nothing

in this section is to be construed as questioning or in any manner prejudicing the existence of any State's seaward boundary beyond three geographical miles if it was so provided by its constitution or laws prior to or at the time such State became a member of the Union, or if it has been heretofore or is hereafter approved by Congress.

SEC. 5. EXCEPTIONS FROM OPERATION OF SECTION 3 OF THIS ACT.—There is excepted from the operation of section 3 of this Act—

(a) all specifically described tracts or parcels of land and resources therein or improvements thereon title to which has been lawfully and expressly acquired by the United States from any State or from any person in whom title had vested under the decisions of the courts of such State, or their respective grantees, or successors in interest, by cession, grant, quitclaim, or condemnation, or from any other owner or owners thereof by conveyance or by condemnation, provided such owner or owners had lawfully acquired the title to such lands and resources in accordance with the statutes or decisions of the courts of the State in which the lands are located; and

(b) such lands beneath navigable waters within the boundaries of the respective States and such interests therein as are held by the United States in trust for the benefit of any tribe, band, or group of Indians or for individual Indians.

SEC. 6. POWERS RETAINED BY THE UNITED STATES.—(a) The United States retains all its rights in and powers of regulation and control of said lands and navigable waters for the purposes of commerce, navigation, national defense, and international affairs except the proprietary rights of ownership, and the rights of management, administration, leasing, use, development, and control of the lands and natural resources which are specifically recognized, confirmed, established, vested in and delegated to the respective States and others by section 3 of this Act.

(b) In time of war when necessary for national defense, and the Congress or the President shall so prescribe, the United States shall have the right of first refusal to purchase at the prevailing market price, all or any portion of the said natural resources, or to acquire and use any portion of said lands by proceeding in accordance with due process of law and paying just compensation therefor.

SEC. 7. Nothing in this Act shall be deemed to amend, modify, or repeal the Acts of July 26, 1866 (14 Stat. 251), July 9, 1870 (16 Stat. 217), March 3, 1877 (19 Stat. 377), June 17, 1902 (32 Stat. 388), and December 22, 1944 (58 Stat. 887), and Acts amendatory thereof or supplementary thereto.

SEC. 8. SEPARABILITY.—If any provision of this Act, or any section, subsection, sentence, clause, phrase, or individual word, or the application thereof to any person or circumstance is held invalid, the validity of the remainder of the Act and of the application of any such provision, section, subsection, sentence, clause, phrase, or individual word to other persons and circumstances shall not be affected thereby; without limiting the generality of the foregoing, if subsection 3 (a) 1, 3 (a) 2, 3 (b) 1, 3 (b) 2, 3 (b) 3, or 3 (c) or any provision of any of those subsections is held invalid, such subsection or provision shall be held separable and the remaining subsections and provisions shall not be affected thereby.

SEC. 9. Nothing in this Act shall be deemed to affect in any wise any issues between the United States and the respective States relating to the ownership or control of that portion of the subsoil and sea bed of the Continental Shelf lying seaward and outside of the area of lands beneath navigable waters described in section 2 hereof.

[H. R. 2948, 83d Cong., 1st sess.]

A BILL To confirm and establish the titles of the States to lands beneath navigable waters within State boundaries and to the natural resources within such lands and waters, and to provide for the use and control of said lands and resources

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Submerged Lands Act."

TITLE I

DEFINITION

SEC. 2. When used in this Act—

(a) The term "lands beneath navigable waters" includes (1) all lands within the boundaries of each of the respective States which were covered by waters navigable under the laws of the United States at the time such State became a

member of the Union, and all lands permanently or periodically covered by tidal waters up to but not above the line of mean high tide and seaward to a line three geographical miles distant from the coast line of each such State and to the boundary line of each such State where in any case such boundary as it existed at the time such State became a member of the Union, or as heretofore or hereafter approved by Congress, extends seaward (or into the Great Lakes or Gulf of Mexico) beyond three geographical miles, and (2) all filled in, made, or reclaimed lands which formerly were lands beneath navigable waters, as herein defined; the term "boundaries" includes the seaward boundaries of a State or its boundaries in the Gulf of Mexico or any of the Great Lakes as they existed at the time such State became a member of the Union, or as heretofore or hereafter approved by the Congress, or as extended or confirmed pursuant to section 4 hereof;

(b) The term "coastline" means the line of ordinary low water along that portion of the coast which is in direct contact with the open sea and the line marking the seaward limit of inland waters, which include all estuaries, ports, harbors, bays, channels, straits, historic bays, and sounds, and all other bodies of water which join the open sea;

(c) The terms "grantees" and "lessees" include (without limiting the generality thereof) all political subdivisions, municipalities, public and private corporations, and other persons holding grants or leases from a State, or its predecessor sovereign, to lands beneath navigable waters if such grants or leases were issued in accordance with the constitution, statutes, and decisions of the courts of the State in which such lands are situated, or of its predecessor sovereign: *Provided, however,* That nothing herein shall be construed as conferring upon said grantees or lessees any greater rights or interests other than are described herein and in their respective grants from the State, or its predecessor sovereign;

(d) The term "natural resources" shall include, without limiting the generality thereof, fish, shrimp, oysters, clams, crabs, lobsters, sponges, kelp, and other marine animal and plant life but shall not include waterpower, or the use of water for the production of power, at any site where the United States now owns the waterpower;

(e) The term "lands beneath navigable waters" shall not include the beds of streams in lands now or heretofore constituting a part of the public lands of the United States if such streams were not meandered in connection with the public survey of such lands under the laws of the United States;

(f) The term "State" means any State of the Union;

(g) The term "person" includes any citizen of the United States, an association of such citizens, a State, a political subdivision of a State, or a private, public, or municipal corporation organized under the laws of the United States or of any State.

TITLE II

LANDS BENEATH NAVIGABLE WATERS WITHIN STATE BOUNDARIES

SEC. 3. RIGHTS OF THE STATES.—It is hereby determined and declared to be in the public interest that title to and ownership of the lands beneath navigable waters within the boundaries of the respective States, and the natural resources within such lands and waters, and the right and power to control, develop, and use the said natural resources all in accordance with applicable State law be, and they are hereby, subject to the provisions hereof, recognized, confirmed, established, and vested in the respective States or the persons who were on June 5, 1950, entitled thereto under the property law of the respective States in which the land is located, and the respective grantees, lessees, or successors in interest thereof; and the United States hereby releases and relinquishes unto said States and persons aforesaid all right, title, and interest of the United States, if any it has, in and to all said lands, moneys, improvements, and natural resources, and releases and relinquishes all claims of the United States, if any it has, arising out of any operations of said States or persons pursuant to State authority upon or within said lands and navigable waters. The rights, powers, and titles hereby recognized, confirmed, established, and vested in the respective States and their grantees are subject to each lease executed by a State, or its grantee, which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, and such rights, powers, and titles are further subject to the rights herein now granted to any person holding any such lease to continue to maintain the lease, and to conduct operations thereunder, in accordance with its provisions, for the

full term thereof, and any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued such lease: *Provided, however*, That, if oil or gas was not being produced from such lease on and before December 11, 1950, then for a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provisions of such lease or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, such lease: *Provided, however*, That all rents, royalties, and other sums payable under such lease and the laws of the State issuing or whose grantee issued such lease between June 5, 1950, and the effective date hereof, which have not been paid to the State or its grantee issuing it or to the Secretary of the Interior of the United States, shall be paid to the State or its grantee issuing such lease within ninety days from the effective date hereof: *Provided, however*, That nothing in this Act shall affect the use, development, improvement, or control by or under the constitutional authority of the United States of said lands and waters for the purposes of navigation or flood control or the production of power at any site where the United States now owns or may hereafter acquire the waterpower or be construed as the release or relinquishment of any rights of the United States arising under the constitutional authority of Congress to regulate or improve navigation or to provide for flood control or the production of power at any site where the United States now owns the waterpower: *Provided further*, That nothing in this Act shall be construed as affecting or intending to affect or in any way interfere with or modify the laws of the States which lie wholly or in part westward of the ninety-eighth meridian, relating to the ownership and control of ground and surface waters; and the control, appropriation, use, and distribution of such waters shall continue to be in accordance with the laws of such States.

SEC. 4. SEAWARD BOUNDARIES.—Any State which has not already done so may extend its seaward boundaries to a line three geographical miles distant from its coast line, or in the case of the Great Lakes, to the international boundary of the United States. Any claim heretofore or hereafter asserted either by constitutional provision, statute, or otherwise, indicating the intent of a State so to extend its boundaries is hereby approved and confirmed, without prejudice to its claim, if any it has, that its boundaries extend beyond that line. Nothing in this section is to be construed as questioning or in any manner prejudicing the existence of any State's seaward boundary beyond three geographical miles if it was so provided by its constitution or laws prior to or at the time such State became a member of the Union, or if it has been heretofore or is hereafter approved by Congress.

SEC. 5. EXCEPTIONS FROM OPERATION OF SECTION 3 OF THIS ACT.—There is excepted from the operation of section 3 of this Act—

(a) all specifically described tracts or parcels of land and resources therein or improvements thereon title to which has been lawfully and expressly acquired by the United States from any State or from any person in whom title had vested under the decisions of the courts of such State, or their respective grantees, or successors in interest, by cession, grant, quitclaim, or condemnation, or from any other owner or owners thereof by conveyance or by condemnation, provided such owner or owners had lawfully acquired the title to such lands and resources in accordance with the statutes or decisions of the courts of the State in which the lands are located; and

(b) such lands beneath navigable waters within the boundaries of the respective States and such interest therein as are held by the United States in trust for the benefit of any tribe, band, or group of Indians or for individual Indians.

SEC. 6. POWERS RETAINED BY THE UNITED STATES.—(a) The United States retains all its powers of regulation and control of said lands and navigable waters for the purposes of commerce, navigation, national defense, and international affairs, none of which includes any of the proprietary rights of ownership, or of use, development, and control of the lands and natural resources which are specifically recognized, confirmed, established, and vested in the respective States and others by section 3 of this Act.

(b) In time of war when necessary for national defense, and the Congress or the President shall so prescribe, the United States shall have the right of first refusal to purchase at the prevailing market price, all or any portion of the said natural resources, or to acquire and use any portion of said lands by proceeding in accordance with due process of law and paying just compensation therefor.

SEC. 7. Nothing in this Act shall be deemed to amend, modify, or repeal the

Acts of July 26, 1866 (14 Stat. 251), July 9, 1870 (16 Stat. 217), March 3, 1877 (19 Stat. 377), June 17, 1902 (32 Stat. 388), and December 22, 1944 (58 Stat. 887), and Acts amendatory thereof or supplementary thereto.

SEC. 8. Nothing in this Act shall be deemed to affect in any wise any issues between the United States and the respective States relating to the ownership or control of that portion of the subsoil and seabed of the Continental Shelf lying seaward and outside of the area of lands beneath navigable waters, described in section 2 hereof.

SEC. 9. If any provision of this Act or the application thereof to any person or circumstance is held invalid, the validity of the remainder of the Act and of the application of such provision to other persons and circumstances shall not be affected thereby.

[H. R. 2995, 83d Cong., 1st sess.]

A BILL To confirm and establish the titles of the States to lands beneath navigable waters within State boundaries and to the natural resources within such lands and waters, and to provide for the use and control of said lands and resources

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Submerged Lands Act".

TITLE I

DEFINITION

SEC. 2. When used in this Act—

(a) The term "lands beneath navigable waters" includes (1) all lands within the boundaries of each of the respective States which were covered by waters navigable under the laws of the United States at the time such State became a member of the Union, and all lands permanently or periodically covered by tidal waters up to but not above the line of mean high tide and seaward to a line three geographical miles distant from the coast line of each such State and to the boundary line of each such State where in any case such boundary as it existed at the time such State became a member of the Union, or as heretofore or hereafter approved by Congress, extends seaward (or into the Great Lakes or Gulf of Mexico) beyond three geographical miles, and (2) all filled in, made, or reclaimed lands which formerly were lands beneath navigable waters, as herein defined; the term "boundaries" includes the seaward boundaries of a State or its boundaries in the Gulf of Mexico or any of the Great Lakes as they existed at the time such State became a member of the Union, or as heretofore or hereafter approved by the Congress, or as extended or confirmed pursuant to section 4 hereof.

(b) The term "coast line" means the line of ordinary low water along that portion of the coast which is in direct contact with the open sea and the line marking the seaward limit of inland waters, which include all estuaries, ports, harbors, bays, channels, straits, historic bays, and sounds, and all other bodies of water which join the open sea.

(c) The terms "grantees" and "lessees" include (without limiting the generality thereof) all political subdivisions, municipalities, public or private corporations, and other persons holding grants or leases from a State, or its predecessor sovereign, to lands beneath navigable waters if such grants or leases were issued in accordance with the constitution, statutes, and decisions of the courts of the State in which such lands are situated, or of its predecessor sovereign: *Provided, however,* That nothing herein shall be construed as conferring upon said grantees or lessees any greater rights or interests other than are described herein and in their respective grants from the State, or its predecessor sovereign.

(d) The term "natural resources" shall include, without limiting the generality thereof, oil, gas, and all other minerals and fish, shrimp, oysters, clams, crabs, lobsters, sponges, kelp, and other marine animal and plant life, but shall not include water power or the use of water for the production of power at any site where the United States now owns the water power.

(e) The term "lands beneath navigable waters" shall not include the beds of streams in lands now or heretofore constituting a part of the public lands of the United States if such streams were not meandered in connection with the public survey of such lands under the laws of the United States.

(f) The term "State" means any State of the Union.

(g) The term "person" includes any citizen of the United States, an association of such citizens, a State, a political subdivision of a State, or a private, public, or municipal corporation organized under the laws of the United States or of any State.

TITLE II

LANDS BENEATH NAVIGABLE WATERS WITHIN STATE BOUNDARIES

SEC. 3. RIGHTS OF THE STATES.—(a) It is hereby determined and declared to be in the public interest that (1) title to and ownership of the lands beneath navigable waters within the boundaries of the respective States, and the natural resources within such lands and waters, and (2) the right and power to manage, administer, lease, control, develop, and use the said natural resources all in accordance with applicable State law be, and they are hereby, subject to the provisions hereof, severally recognized, confirmed, established, vested in and/or delegated to the respective States or the persons who were on June 5, 1950, entitled thereto under the law of the respective States in which the land is located, and the respective grantees, lessees, or successors in interest thereof.

(b) (1) The United States hereby releases and relinquishes unto said States and persons aforesaid all right, title, and interest of the United States, if any it has, in and to all said lands, moneys, improvements, and natural resources; (2) the United States hereby releases and relinquishes all claims of the United States, if any it has, arising out of any operations of said States or persons pursuant to State authority upon or within said lands and navigable waters; and (3) the Secretary of the Interior or the Treasurer of the United States shall pay to the respective States or their grantees issuing leases covering such lands or natural resources all moneys paid or tendered thereunder to the Secretary or to the Treasurer of the United States and subject to the control of either of them or to the control of the United States on the effective date of this Act, except that portion of such moneys which the Secretary is obligated to return to a lessee who does not consent to such payment.

(c) The rights, powers, and titles hereby recognized, confirmed, established, vested in and delegated to the respective States and their grantees are subject to each lease executed by a State, or its grantee, which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, and such rights, powers, and titles are further subject to the rights herein now granted to any person holding any such lease to continue to maintain the lease, and to conduct operations thereunder, in accordance with its provisions, for the full term thereof, and any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued such lease: *Provided, however*, That if oil or gas was not being produced from such lease on and before December 11, 1950, or if the primary term of such lease has expired since December 11, 1950, then for a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provisions of such lease or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, such lease: *Provided, however*, That within ninety days from the effective date hereof (i) the lessee shall pay to the State or its grantee issuing such lease all rents, royalties, and other sums payable between June 5, 1950, and the effective date hereof, under such lease and the laws of the State issuing or whose grantee issued such lease, except such rents, royalties, and other sums as have been paid to the State, its grantee, the Secretary of the Interior or the Treasurer of the United States and not refunded to the lessee; and (ii) the lessee shall file with the Secretary and with the State issuing or whose grantee issued such lease, instruments consenting to the payment by the Secretary or the Treasurer of the United States to the State or its grantee issuing the lease, of all rents, royalties, and other payments under the control of the Secretary, the Treasurer, or the United States which have been paid under the lease, except such rentals, royalties, and other payments as have also been paid by the lessee to the State or its grantee.

(d) Nothing in this Act shall affect the use, development, improvement, or control by or under the constitutional authority of the United States of said lands and waters for the purposes of navigation or flood control or the production of power at any site where the United States now owns or may hereafter

acquire the water power or be construed as the release or relinquishment of any rights of the United States arising under the constitutional authority of Congress to regulate or improve navigation or to provide for the flood control or the production of power at any site where the United States now owns the water power.

(e) Nothing in this Act shall be construed as affecting or intending to affect or in any way interfere with or modify the laws of the States which lie wholly or in part westward of the ninety-eighth meridian, relating to the ownership and control of ground and surface waters; and the control, appropriation, use, and distribution of such waters shall continue to be in accordance with the laws of such States.

SEC. 4. SEAWARD BOUNDARIES.—Any State which has not already done so may extend its seaward boundaries to a line three geographical miles distant from its coast line, or in the case of the Great Lakes, to the international boundary of the United States. Any claim heretofore or hereafter asserted either by constitutional provision, statute, or otherwise, indicating the intent of a State so to extend its boundaries is hereby approved and confirmed, without prejudice to its claim, if any it has, that its boundaries extend beyond that line. Nothing in this section is to be construed as questioning or in any manner prejudicing the existence of any State's seaward boundary beyond three geographical miles if it was so provided by its constitution or laws prior to or at the time such State became a member of the Union, or if it has been heretofore or is hereafter approved by Congress.

SEC. 5. EXCEPTIONS FROM OPERATION OF SECTION 3 OF THIS ACT.—There is excepted from the operation of section 3 of this Act—

(a) all specifically described tracts or parcels of land and resources therein or improvements thereon title to which has been lawfully and expressly acquired by the United States from any State or from any person in whom title had vested under the decisions of the courts of such State, or their respective grantees, or successors in interest, by cession, grant, quitclaim, or condemnation, or from any other owner or owners thereof by conveyance or by condemnation, provided such owner or owners had lawfully acquired the title to such lands and resources in accordance with the statutes or decisions of the courts of the State in which the lands are located; and

(b) such lands beneath navigable waters within the boundaries of the respective States and such interests therein as are held by the United States in trust for the benefit of any tribe, band, or group of Indians or for individual Indians.

SEC. 6. POWERS RETAINED BY THE UNITED STATES.—(a) The United States retains all its rights in and powers of regulation and control of said lands and navigable waters for the purposes of commerce, navigation, national defense, and international affairs except the proprietary rights of ownership, and the rights of management, administration, leasing, use, development, and control of the lands and natural resources which are specifically recognized, confirmed, established, vested in and delegated to the respective States and others by section 3 of this Act.

(b) In time of war when necessary for national defense, and the Congress or the President shall so prescribe, the United States shall have the right of first refusal to purchase at the prevailing market price, all or any portion of the said natural resources, or to acquire and use any portion of said lands by proceeding in accordance with due process of law and paying just compensation therefor.

SEC. 7. Nothing in this Act shall be deemed to amend, modify, or repeal the Acts of July 26, 1866 (14 Stat. 251), July 9, 1870 (16 Stat. 217), March 3, 1877 (19 Stat. 377), June 17, 1902 (32 Stat. 388), and December 22, 1944 (58 Stat. 887), and Acts amendatory thereof or supplementary thereto.

SEC. 8. SEPARABILITY.—If any provision of this Act, or any section, subsection, sentence, clause, phrase or individual word, or the application thereof to any person or circumstance is held invalid, the validity of the remainder of the Act and of the application of any such provision, section, subsection, sentence, clause, phrase or individual word to other persons and circumstances shall not be affected thereby; without limiting the generality of the foregoing, if subsection 3 (a) 1, 3 (a) 2, 3 (b) 1, 3 (b) 2, 3 (b) 3, or 3 (c) or any provision of any of those subsections is held invalid, such subsection or provision shall be held separable and the remaining subsections and provisions shall not be affected thereby.

SEC. 9. Nothing in this Act shall be deemed to affect in anywise any issues between the United States and the respective States relating to the ownership or control of that portion of the subsoil and seabed of the continental shelf lying seaward and ouside of the area of lands beneath navigable waters described in section 2 hereof.

[H. R. 3175, 83d Cong., 1st sess.]

A BILL To confirm and establish the titles of the States to lands beneath navigable waters within State boundaries and to the natural resources within such lands and waters, and to provide for the use and control of said lands and resources

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Submerged Lands Act".

TITLE I

DEFINITION

SEC. 2. When used in this Act—

(a) The term "lands beneath navigable waters" includes (1) all lands within the boundaries of each of the respective States which were covered by waters navigable under the laws of the United States at the time such State became a member of the Union, and all lands permanently or periodically covered by tidal waters up to but not above the line of mean high tide and seaward to a line three geographical miles distant from the coastline of each such State and to the boundary line of each such State where in any case such boundary as it existed at the time such State became a member of the Union, or as heretofore or hereafter approved by Congress, extends seaward (or into the Great Lakes or Gulf of Mexico) beyond three geographical miles, and (2) all filled in, made, or reclaimed lands which formerly were lands beneath navigable waters, as herein defined; the term "boundaries" includes the seaward boundaries of a State or its boundaries in the Gulf of Mexico or any of the Great Lakes as they existed at the time such State became a member of the Union, or as heretofore or hereafter approved by the Congress, or as extended or confirmed pursuant to section 4 hereof.

(b) The term "coast line" means the line of ordinary low water along that portion of the coast which is in direct contact with the open sea and the line marking the seaward limit of inland waters, which include all estuaries, ports, harbors, bays, channels, straits, historic bays, and sounds, and all other bodies of water which join the open sea.

(c) The terms "grantees" and "lessees" include (without limiting the generality thereof) all political subdivisions, municipalities, public and private corporations, and other persons holding grants or leases from a State, or its predecessor sovereign, to lands beneath navigable waters if such grants or leases were issued in accordance with the constitution, statutes, and decisions of the courts of the State in which such lands are situated, or of its predecessor sovereign: *Provided, however*, That nothing herein shall be construed as conferring upon said grantees or lessees any greater rights or interests other than are described herein and in their respective grants from the State, or its predecessor sovereign.

(d) The term "natural resources" shall include, without limiting the generality thereof, oil, gas, and all other minerals and fish, shrimp, oysters, clams, crabs, lobsters, sponges, kelp, and other marine animal and plant life but shall not include water power or the use of water for the production of power at any site where the United States now owns the water power.

(e) The term "lands beneath navigable waters" shall not include the beds of streams in lands now or heretofore constituting a part of the public lands of the United States if such streams were not meandered in connection with the public survey of such lands under the laws of the United States.

(f) The term "State" means any State of the Union.

(g) The term "person" includes any citizen of the United States, an association of such citizens, a State, a political subdivision of a State, or a private, public, or municipal corporation organized under the laws of the United States or of any State.

TITLE II

LANDS BENEATH NAVIGABLE WATERS WITHIN STATE BOUNDARIES

SEC. 3. RIGHTS OF THE STATES.—(a) It is hereby determined and declared to be in the public interest that (1) title to and ownership of the lands beneath navigable waters within the boundaries of the respective States, and the natural resources within such lands and waters, and (2) the right and power to manage, administer, lease, control, develop, and use the said natural resources all in accordance with applicable State law be, and they are hereby, subject to the provisions hereof, severally recognized, confirmed, established, vested in and/or delegated to the respective States or the persons who were on June 5, 1950, entitled thereto under the law of the respective States in which the land is located, and the respective grantees, lessees, or successors in interest thereof.

(b) (1) The United States hereby releases and relinquishes unto said States and persons aforesaid all right, title, and interest of the United States, if any it has, in and to all said lands, moneys, improvements, and natural resources; (2) the United States hereby releases and relinquishes all claims of the United States, if any it has, arising out of any operations of said States or persons pursuant to State authority upon or within said lands and navigable waters; and (3) the Secretary of the Interior or the Treasurer of the United States shall pay to the respective States or their grantees issuing leases covering such lands or natural resources all moneys paid or tendered thereunder to the Secretary or to the Treasurer of the United States and subject to the control of either of them or to the control of the United States on the effective date of this Act, except that portion of such moneys which the Secretary is obligated to return to a lessee who does not consent to such payment.

(c) The rights, powers, and titles hereby recognized, confirmed, established, vested in and delegated to the respective States and their grantees are subject to each lease executed by a State, or its grantee, which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, and such rights, powers, and titles are further subject to the rights herein now granted to any person holding any such lease to continue to maintain the lease, and to conduct operations thereunder, in accordance with its provisions, for the full term thereof, and any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued such lease: *Provided, however*, That, if oil or gas was not being produced from such lease on and before December 11, 1950, or if the primary term of such lease has expired since December 11, 1950, then for a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provisions of such lease or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, such lease: *Provided, however*, That within ninety days from the effective date hereof (i) the lessee shall pay to the State or its grantee issuing such lease all rents, royalties, and other sums payable between June 5, 1950, and the effective date hereof, under such lease and the laws of the State issuing or whose grantee issued such lease, except such rents, royalties, and other sums as have been paid to the State, its grantee, the Secretary of the Interior or the Treasurer of the United States and not refunded to the lessee; and (ii) the lessee shall file with the Secretary and with the State issuing or whose grantee issued such lease, instruments consenting to the payment by the Secretary or the Treasurer of the United States to the State or its grantee issuing the lease, of all rents, royalties, and other payments under the control of the Secretary, the Treasurer, or the United States which have been paid under the lease, except such rentals, royalties, and other payments as have also been paid by the lessee to the State or its grantee.

(d) Nothing in this Act shall affect the use, development, improvement, or control by or under the constitutional authority of the United States of said lands and waters for the purposes of navigation or flood control or the production of power at any site where the United States now owns or may hereafter acquire the water power or be construed as the release or relinquishment of any rights of the United States arising under the constitutional authority of Congress to regulate or improve navigation or to provide for the flood control or the production of power at any site where the United States now owns the water power.

(e) Nothing in this Act shall be construed as affecting or intending to affect or in any way interfere with or modify the laws of the States which lie wholly

or in part westward of the ninety-eighth meridian, relating to the ownership and control of ground and surface waters; and the control, appropriation, use, and distribution of such waters shall continue to be in accordance with the laws of such States.

SEC. 4. SEAWARD BOUNDARIES.—Any State which has not already done so may extend its seaward boundaries to a line three geographical miles distant from its coast line, or in the case of the Great Lakes, to the international boundary of the United States. Any claim heretofore or hereafter asserted either by constitutional provision, statute, or otherwise, indicating the intent of a State so to extend its boundaries is hereby approved and confirmed, without prejudice to its claim, if any it has, that its boundaries extend beyond that line. Nothing in this section is to be construed as questioning or in any manner prejudicing the existence of any State's seaward boundary beyond three geographical miles if it was so provided by its constitution or laws prior to or at the time such State became a member of the Union, or if it has been heretofore or is hereafter approved by Congress.

SEC. 5. EXCEPTIONS FROM OPERATION OF SECTION 3 OF THIS ACT.—There is excepted from the operation of section 3 of this Act—

(a) all specifically described tracts or parcels of land and resources therein or improvements thereon title to which has been lawfully and expressly acquired by the United States from any State or from any person in whom title had vested under the decisions of the courts of such State, or their respective grantees, or successors in interest, by cession, grant, quitclaim, or condemnation, or by conveyance or by condemnation, provided such owner or owners had lawfully acquired the title to such lands and resources in accordance with the statutes or decisions of the courts of the State in which the lands are located; and

(b) such lands beneath navigable waters within the boundaries of the respective States and such interests therein as are held by the United States in trust for the benefit of any tribe, band, or group of Indians or for individual Indians.

SEC. 6. POWERS RETAINED BY THE UNITED STATES.—(a) The United States retains all its rights in and powers of regulation and control of said lands and navigable waters for the purposes of commerce, navigation, national defense, and international affairs except the proprietary rights of ownership, and the rights of management, administration, leasing, use, development, and control of the lands and natural resources which are specifically recognized, confirmed, established, vested in and delegated to the respective States and others by section 3 of this Act.

(b) In time of war when necessary for national defense, and the Congress or the President shall so prescribe, the United States shall have the right of first refusal to purchase at the prevailing market price, all or any portion of the said natural resources, or to acquire and use any portion of said lands by proceeding in accordance with due process of law and paying just compensation therefor.

SEC. 7. Nothing in this Act shall be deemed to amend, modify, or repeal the Acts of July 26, 1866 (14 Stat. 251), July 9, 1870 (16 Stat. 217), March 3, 1877 (19 Stat. 377), June 17, 1902 (32 Stat. 388), and December 22, 1944 (58 Stat. 887), and Acts amendatory thereof or supplementary thereto.

SEC. 8. SEPARABILITY.—If any provision of this Act, or any section, subsection, sentence, clause, phrase, or individual word, or the application thereof to any person or circumstance is held invalid, the validity of the remainder of the Act and of the application of any such provision, section, subsection, sentence, clause, phrase, or individual word to other persons and circumstances shall not be affected thereby; without limiting the generality of the foregoing, if subsection 3 (a), 1, 3 (a) 2, 3 (b) 1, 3 (b) 2, 3 (b) 3, or 3 (c) or any provision of any of those subsections is held invalid, such subsection or provision shall be held separable and the remaining subsections and provisions shall not be affected thereby.

SEC. 9. Nothing in this Act shall be deemed to affect in any wise any issues between the United States and the respective States relating to the ownership or control of that portion of the subsoil and sea bed of the Continental Shelf lying seaward and outside of the area of lands beneath navigable waters described in section 2 hereof.

[H. R. 3178, 83d Cong., 1st sess.]

A BILL To confirm and establish the titles of the States to lands beneath navigable waters within State boundaries and to the natural resources within such lands and waters, and to provide for the use and control of said lands and resources

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Submerged Lands Act".

TITLE I

DEFINITION

SEC. 2. When used in this Act—

(a) The term "lands beneath navigable waters" includes (1) all lands within the boundaries of each of the respective States which were covered by waters navigable under the laws of the United States at the time such State became a member of the Union, and all lands permanently or periodically covered by tidal waters up to but not above the line of mean high tide and seaward to a line three geographical miles distant from the coast line of each such State and to the boundary line of each such State where in any case such boundary as it existed at the time such State became a member of the Union, or as heretofore or hereafter approved by Congress, extends seaward (or into the Great Lakes or Gulf of Mexico) beyond three geographical miles, and (2) all filled in, made, or reclaimed lands which formerly were lands beneath navigable waters, as herein defined; the term "boundaries" includes the seaward boundaries of a State or its boundaries in the Gulf of Mexico or any of the Great Lakes as they existed at the time such State became a member of the Union, or as heretofore or hereafter approved by the Congress, or as extended or confirmed pursuant to section 4 hereof.

(b) The term "coast line" means the line of ordinary low water along that portion of the coast which is in direct contact with the open sea and the line marking the seaward limit of inland waters, which include all estuaries, ports, harbors, bays, channels, straits, historic bays, and sounds, and all other bodies of water which join the open sea.

(c) The terms "grantees" and "lessees" include (without limiting the generality thereof) all political subdivisions, municipalities, public and private corporations, and other persons holding grants or leases from a State, or its predecessor sovereign, to lands beneath navigable waters if such grants or leases were issued in accordance with the constitution, statutes, and decisions of the courts of the State in which such lands are situated, or of its predecessor sovereign: *Provided, however*, That nothing herein shall be construed as conferring upon said grantees or lessees any greater rights or interests other than are described herein and in their respective grants from the State, or its predecessor sovereign.

(d) The term "natural resources" shall include, without limiting the generality thereof, oil, gas, and all other minerals and fish, shrimp, oysters, clams, crabs, lobsters, sponges, kelp, and other marine animal and plant life but shall not include water power or the use of water for the production of power at any site where the United States now owns the water power.

(e) The term "lands beneath navigable waters" shall not include the beds of streams in lands now or heretofore constituting a part of the public lands of the United States if such streams were not meandered in connection with the public survey of such lands under the laws of the United States.

(f) The term "State" means any State of the Union.

(g) The term "person" includes any citizen of the United States, an association of such citizens, a State, a political subdivision of a State, or a private, public, or municipal corporation organized under the laws of the United States or of any State.

TITLE II

LANDS BENEATH NAVIGABLE WATERS WITHIN STATE BOUNDARIES

SEC. 3. RIGHTS OF THE STATES.—(a) It is hereby determined and declared to be in the public interest that (1) title to and ownership of the lands beneath navigable waters within the boundaries of the respective States, and the natural resources within such lands and waters, and (2) the right and power to manage, administer, lease, control, develop, and use the said natural resources all in accordance with applicable State law be, and they are hereby, subject to the

provisions hereof, severally recognized, confirmed, established, vested in and/or delegated to the respective States or the persons who were on June 5, 1950, entitled thereto under the law of the respective States in which the land is located, and the respective grantees, lessees, or successors in interest thereof.

(b) (1) The United States hereby releases and relinquishes unto said States and persons aforesaid all right, title, and interest of the United States, if any it has, in and to all said lands, moneys, improvements, and natural resources; (2) the United States hereby releases and relinquishes all claims of the United States, if any it has, arising out of any operations of said States or persons pursuant to State authority upon or within said lands and navigable waters; and (3) the Secretary of the Interior or the Treasurer of the United States shall pay to the respective States or their grantees issuing leases covering such lands or natural resources all moneys paid or tendered thereunder to the Secretary or to the Treasurer of the United States and subject to the control of either of them or to the control of the United States on the effective date of of this Act, except that portion of such moneys which the Secretary is obligated to return to a lessee who does not consent to such payment.

(c) The rights, powers, and titles hereby recognized, confirmed, established, vested in and delegated to the respective States and their grantees are subject to each lease executed by a State, or its grantee, which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, and such rights, powers, and titles are further subject to the rights herein now granted to any person holding any such lease to continue to maintain the lease, and to conduct operations thereunder, in accordance with its provisions, for the full term thereof, and any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued such lease: *Provided, however*, That, if oil or gas was not being produced from such lease on and before December 11, 1950, or if the primary term of such lease has expired since December 11, 1950, then for a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provisions of such lease or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, such lease: *Provided, however*, That within ninety days from the effective date hereof (i) the lessee shall pay to the State or its grantee issuing such lease all rents, royalties, and other sums payable between June 5, 1950, and the effective date hereof, under such lease and the laws of the State issuing or whose grantee issued such lease, except such rents, royalties, and other sums as have been paid to the State, its grantee, the Secretary of the Interior, or the Treasurer of the United States and not refunded to the lessee; and (ii) the lessee shall file with the Secretary and with the State issuing or whose grantee issued such lease, instruments consenting to the payment by the Secretary or the Treasurer of the United States or the State or its grantee issuing the lease, of all rents, royalties, and other payments under the control of the Secretary, the Treasurer, or the United States which have been paid under the lease, except such rentals, royalties, and other payments as have also been paid by the lessee to the State or its grantee.

(d) Nothing in this Act shall affect the use, development, improvement, or control by or under the constitutional authority of the United States of said lands and waters for the purposes of navigation or flood control or the production of power at any site where the United States now owns or may hereafter acquire the water power or be construed as the release or relinquishment of any rights of the United States arising under the constitutional authority of Congress to regulate or improve navigation or to provide for the flood control of the production of power at any site where the United States now owns the water power.

(e) Nothing in this Act shall be construed as affecting or intending to affect or in any way interfere with or modify the laws of the States which lie wholly or in part westward of the ninety-eighth meridian, relating to the ownership and control of ground and surface waters; and the control appropriation, use, and distribution of such waters shall continue to be in accordance with the laws of such States.

SEC. 4. SEAWARD BOUNDARIES.—Any State which has not already done so may extend its seaward boundaries to a line three geographical miles distant from its coast line, or in the case of the Great Lakes, to the international boundary of the United States. Any claim heretofore or hereafter asserted either by constitutional provision, statute, or otherwise, indicating the intent of a State

so to extend its boundaries is hereby approved and confirmed, without prejudice to its claim, if any it has, that its boundaries extend beyond that line. Nothing in this section is to be construed as questioning or in any manner prejudicing the existence of any State's seaward boundary beyond three geographical miles if it was so provided by its constitution or laws prior to or at the time such State became a member of the Union, or if it has been heretofore or is hereafter approved by Congress.

SEC. 5. EXEMPTIONS FROM OPERATION OF SECTION 3 OF THIS ACT.—There is excepted from the operation of section 3 of this Act—

(a) all specifically described tracts or parcels of land and resources therein or improvements thereon title to which has been lawfully and expressly acquired by the United States from any State or from any person in whom title had vested under the decisions of the courts of such State, or their respective grantees, or successors in interest, by cession, grant, quitclaim, or condemnation, or from any other owner or owners thereof by conveyance or by condemnation, provided such owner or owners had lawfully acquired the title to such lands and resources in accordance with the statutes or decisions of the courts of the State in which the lands are located; and

(b) such lands beneath navigable waters within the boundaries of the respective States and such interests therein as are held by the United States in trust for the benefit of any tribe, band, or group of Indians or for individual Indians.

SEC. 6. POWERS RETAINED BY THE UNITED STATES.—(a) The United States retains all its rights in and powers of regulation and control of said lands and navigable waters for the purposes of commerce, navigation, national defense, and international affairs except the proprietary rights of ownership, and the rights of management, administration, leasing, use, development, and control of the lands and natural resources which are specifically recognized, confirmed, established, vested in and delegated to the respective States and others by section 3 of this Act.

(b) In time of war when necessary for national defense, and the Congress or the President shall so prescribe, the United States shall have the right of first refusal to purchase at the prevailing market price, all or any portion of the said natural resources, or to acquire and use any portion of said lands by proceeding in accordance with due process of law and paying just compensation therefor.

SEC. 7. Nothing in this Act shall be deemed to amend, modify, or repeal the Acts of July 26, 1866 (14 Stat. 251), July 9, 1870 (16 Stat. 217), March 3, 1877 (19 Stat. 377), June 17, 1902 (32 Stat. 388), and December 22, 1944 (58 Stat. 887), and Acts amendatory thereof or supplementary thereto.

SEC. 8. SEPARABILITY.—If any provision of this Act, or any section, subsection, sentence, clause, phrase, or individual word, or the application thereof to any person or circumstance is held invalid, the validity of the remainder of the Act and of the application of any such provision, section, subsection, sentence, clause, phrase, or individual word to other persons and circumstances shall not be affected thereby; without limiting the generality of the foregoing, if subsection 3 (a) 1, 3 (a) 2, 3 (b) 1, 3 (b) 2, 3 (b) 3, or 3 (c) or any provision of any of those subsections is held invalid, such subsection or provision shall be held separable and the remaining subsections and provisions shall not be affected thereby.

SEC. 9. Nothing in this Act shall be deemed to affect in any wise any issues between the United States and the respective States relating to the ownership or control of that portion of the subsoil and sea bed of the continental shelf lying seaward and outside of the area of lands beneath navigable waters described in section 2 hereof.

[H. J. Res. 15, 83d Cong., 1st sess.]

JOINT RESOLUTION To provide for the continuation of operations under certain mineral leases issued by the respective States covering submerged lands of the Continental Shelf, to encourage the continued development of such leases, to provide for the protection of the interests of the United States in the oil and gas deposits of said lands, and for other purposes

Whereas certain mineral leases on submerged lands of the Continental Shelf were issued by coastal States under claim of ownership by such issuing States, and lessees have expended large sums of money in conducting operations under such leases; and

Whereas the Supreme Court of the United States on June 23, 1947, rendered an opinion in the case of United States versus California and on June 5, 1950,

rendered opinions in the cases of United States versus Louisiana and United States versus Texas, holding that the United States has paramount rights in, and full dominion and power over, the submerged lands of the Continental Shelf adjacent to the shores of California, Louisiana, and Texas, and that the respective States do not own the submerged lands of the Continental Shelf within their boundaries; and

Whereas it is in the national interest and important to national defense in the present emergency that the orderly development of the oil and gas deposits in the submerged lands of the Continental Shelf should continue without interruption, and in view of the time required for consideration and enactment of permanent legislation covering the exploration, development, production, and conservation of the oil and gas deposits in the submerged lands of the Continental Shelf, thus making it essential that this resolution be enacted in order to protect the interests of the United States pending the enactment of permanent legislation by the Congress respecting the submerged lands of the Continental Shelf: Therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the provisions of this section shall apply to all mineral leases covering submerged lands of the Continental Shelf issued by any State or political subdivision or grantee thereof (including any extension, renewal, or replacement thereof heretofore granted pursuant to such lease or under the laws of such State): *Provided*—

(1) That such lease, or a true copy thereof, shall have been filed with the Secretary by the lessee or his duly authorized agent within ninety days from the effective date of this joint resolution, or within such further period or periods as may be fixed from time to time by the Secretary;

(2) That such lease was issued (i) prior to December 21, 1948, and was on June 5, 1950, in force and effect in accordance with its terms and provisions and the law of the State issuing it, or (ii) with the approval of the Secretary and was on the effective date of this joint resolution in force and effect in accordance with its terms and provisions and the law of the State issuing it;

(3) That within the time specified in paragraph (1) of this subsection, there shall have been filed with the Secretary (i) a certificate issued by the State official or agency having jurisdiction and stating that the lease was in force and effect as required by the provisions of paragraph (2) of this subsection or (ii) in the absence of such certificate, evidence in the form of affidavits, receipts, canceled checks, or other documents, and the Secretary shall determine whether such lease was so in force and effect;

(4) That except as otherwise provided in section 3 hereof, all rents, royalties, and other sums payable under such a lease between June 5, 1950, and the effective date of this joint resolution, which have not been paid in accordance with the provisions thereof, and all rents, royalties, and other sums payable under such a lease after the effective date of this resolution shall be paid to the Secretary, who shall deposit them in a special fund in the Treasury to be disposed of as hereinafter provided;

(5) That the holder of such lease certifies that such lease shall continue to be subject to the overriding royalty obligations existing on the effective date of this joint resolution;

(6) That such lease was not obtained by fraud or misrepresentation;

(7) That such lease, if issued on or after June 23, 1947, was issued upon the basis of competitive bidding;

(8) That such lease provides for a royalty to the lessor of not less than 12½ per centum in amount or value of the production saved, removed or sold from the lease: *Provided, however*, That if the lease provides for a lesser royalty, the holder thereof may bring it within the provisions of this paragraph by consenting in writing, filed with the Secretary, to the increase of the royalty to the minimum herein specified;

(9) That such lease will terminate within a period of not more than five years from the effective date of this joint resolution in the absence of production or operations for drilling: *Provided, however*, That if the lease provides for a longer period, the holder thereof may bring it within the provisions of this paragraph by consenting in writing, filed with the Secretary to the reduction of such period, so that it will not exceed the maximum period herein specified; and

(10) That the holder of such lease furnishes such surety bond, if any, as the Secretary may require and complies with such other requirements as the

Secretary may deem to be reasonable and necessary to protect the interests of the United States.

(b) Any person holding a mineral lease which comes within the provisions of subsection (a) of this section, as determined by the Secretary, may continue to maintain such lease, and may conduct operations thereunder, in accordance with its provisions for the full term thereof and of any extension, renewal or replacement authorized therein or heretofore authorized by the law of the State issuing such lease. A negative determination under this subsection may be made by the Secretary only after giving to the holder of the lease notice and an opportunity to be heard.

(c) With respect to any mineral lease that is within the scope of subsection (a) of this section, the Secretary shall exercise such powers of supervision and control as may be vested in the lessor by law or the terms and provisions of the lease.

(d) The permission granted in subsection (b) of this section shall not be construed to be a waiver of such claims, if any, as the United States may have against the lessor or the lessee or any other person respecting sums payable or paid for or under the lease, or respecting activities conducted under the lease, prior to the effective date of this resolution.

SEC. 2. The Secretary is authorized, with the approval of the Attorney General of the United States and upon the application of any lessor or lessee of a mineral lease issued by or under the authority of a State, its political subdivision or grantee, on tidelands or submerged lands beneath navigable inland waters within the boundaries of such State, to certify that the United States does not claim any interest in such lands or in the mineral deposits within them. The authority granted in this section shall not apply to rights of the United States in lands (a) which have been lawfully acquired by the United States from any State, either at the time of its admission into the Union or thereafter, or from any person in whom such rights had vested under the law of a State or under a treaty or other arrangement between the United States and a foreign power, or otherwise, or from a grantee or successor in interest of a State or such person; or (b) which were owned by the United States at the time of the admission of a State into the Union and which were expressly retained by the United States; or (c) which the United States lawfully holds under the law of the State in which the lands are situated; or (d) which are held by the United States in trust for the benefit of any person or persons, including any tribe, band, or group of Indians or for individual Indians.

SEC. 3. In the event of a controversy between the United States and a State as to whether or not lands are submerged lands beneath navigable inland waters, the Secretary is authorized, notwithstanding the provisions of subsections (a) and (c) of section 1 of this joint resolution, and with the concurrence of the Attorney General of the United States, to negotiate and enter into agreements with the State, its political subdivision or grantee or a lessee thereof, respecting operations under existing mineral leases and payment and impounding of rents, royalties, and other sums payable thereunder, or with the State, its political subdivision or grantee, respecting the issuance or nonissuance of new mineral leases pending the settlement or adjudication of the controversy: *Provided, however*, That the authorization contained in this section shall not be construed to be a limitation upon the authority conferred on the Secretary in other sections of this joint resolution. Payments made pursuant to such agreement, or pursuant to any stipulation between the United States and a State, shall be considered as compliance with section 1 (a) (4) hereof. Upon the termination of such agreement or stipulation by reason of the final settlement or adjudication of such controversy, if the lands subject to any mineral lease are determined to be in whole or in part submerged land of the Continental Shelf, the lessee, if he has not already done so, shall comply with the requirements of section 1 (a), and thereupon the provisions of section 1 (b) shall govern such lease. The following stipulations and authorizations are hereby approved and confirmed: (i) The stipulation entered into in the case of United States against State of California, between the Attorney General of the United States and the Attorney General of California, dated July 26, 1947, relating to certain bays and harbors in the State of California; (ii) the stipulation entered into in the case of United States against State of California, between the Attorney General of the United States and the Attorney General of California, dated July 26, 1947, relating to the continuance of oil and gas operations in the submerged lands within the boundaries of the State of California and herein referred to as the operating stipulation; (iii) the stipulation entered into in the

case of United States against State of California, between the Attorney General of the United States and the Attorney General of California, dated July 28, 1948, extending the term of said operating stipulation; (iv) the stipulation entered into in the case of United States against State of California, between the Attorney General of the United States and the Attorney General of California, dated August 2, 1949, further extending the term of said operating stipulation; (v) the stipulation entered into in the case of United States against State of California, between the Attorney General of the United States and the Attorney General of California, dated August 21, 1950, further extending and revising said operating stipulation; (vi) the notice concerning "Oil and Gas Operations in the Submerged Coastal Lands of the Gulf of Mexico" issued by the Secretary of the Interior on December 11, 1950 (15 F. R. 8835), as amended by the notice dated January 26, 1951 (16 F. R. 953), and as supplemented by the notices dated February 2, 1951 (16 F. R. 1203), and dated March 5, 1951 (16 F. R. 2195), respectively.

SEC. 4. (a) In order to meet the urgent need during the present emergency for further exploration and development of the oil and gas deposits in the submerged lands of the Continental Shelf the Secretary is authorized, pending the enactment of further legislation on the subject, to grant to the qualified persons offering the highest bonuses on a basis of competitive bidding oil and gas leases on submerged lands of the Continental Shelf which are not covered by leases within the scope of subsection (a) of section 1 of this joint resolution or which are not within the seaward boundaries of the United States: *Provided, however*, That, for a period of 5 years after the effective date of this Joint Resolution, the Secretary, with the prior approval of the agency or official of the State, its political subdivision or grantee which under applicable law of the State or its political subdivision would have had authority to lease the area, is authorized to issue such leases in like manner on submerged lands within said boundaries.

(b) A lease issued by the Secretary pursuant to this section shall cover an area of such size and dimensions as the Secretary may determine, shall be for a period of five years and as long thereafter as oil or gas may be produced from the area in paying quantities, or drilling or well reworking operations as approved by the Secretary are conducted thereon, shall require the payment of a royalty of not less than 12½ per centum, and shall contain such rental provisions and such other terms and provisions as the Secretary may by regulation prescribe in advance of offering the area for lease.

(c) All moneys paid to the Secretary for or under leases granted pursuant to this section shall be deposited in a special fund in the Treasury to be disposed of as hereinafter provided.

(d) The issuance of any lease by the Secretary pursuant to this section 4 of this joint resolution, or the refusal of the Secretary to certify that the United States does not claim any interest in any submerged lands pursuant to section 2 of this joint resolution, shall not prejudice the ultimate settlement or adjudication of the question as to whether or not the area involved is submerged land beneath navigable inland waters.

SEC. 5. (a) Except as provided in subsection (b) of this section—

(1) thirty-seven and one-half per centum of all moneys received as bonus payments, rents, royalties and other sums payable with respect to operations in submerged coastal lands lying within the seaward boundary of any State shall be paid by the Secretary of the Treasury to such State within ninety days after the expiration of each fiscal year; and

(2) all other moneys received under the provisions of this joint resolution shall be held in a special account in the Treasury pending the enactment of legislation by the Congress concerning the disposition thereof.

(b) The provisions of this section shall not apply to moneys received and held pursuant to any stipulation or agreement referred to in section 3 of this joint resolution pending the settlement or adjudication of the controversy.

(c) If and whenever the United States shall take and receive in kind all or any part of the royalty under a lease maintained or issued under the provisions of this joint resolution and covering submerged coastal lands lying within the seaward boundary of any State, the value of such royalty so taken in kind shall, for the purpose of subsection (a) (1) of this section, be deemed to be the prevailing market price thereof at the time and place of production, and there shall be paid to the State entitled thereto 37½ per centum of the value of such royalty.

SEC. 6. The Secretary is authorized to issue such regulations as he may deem to be necessary or advisable in performing his functions under this joint resolution.

SEC. 7. (a) The President may, from time to time, withdraw from disposition any of the unleased lands of the Continental Shelf and reserve them for the use of the United States in the interest of national security.

(b) In time of war, or when the President shall so prescribe, the United States shall have the right of first refusal to purchase at the market price all or any portion of the oil and gas produced from the submerged lands covered by this joint resolution.

(c) All leases issued under this joint resolution, and leases, the maintenance and operation of which are authorized under this joint resolution, shall contain or be construed to contain a provision whereby authority is vested in the Secretary, upon the recommendation of the Secretary of Defense, during a state of war or national emergency declared by the Congress or the President after the effective date of this joint resolution, to suspend operations under, or to terminate any lease; and all such leases shall contain or be construed to contain provisions for the payment of just compensation to the lessee whose operations are thus suspended or whose lease is thus terminated.

SEC. 8. Nothing herein contained shall affect such rights, if any, as may have been acquired under any law of the United States by any person on lands subject to this joint resolution and such rights, if any, shall be governed by the law in effect at the time they may have been acquired: *Provided, however*, That nothing herein contained is intended or shall be construed as a finding, interpretation or construction by the Congress that the law under which such rights may be claimed in fact applies to the lands subject to this joint resolution or authorizes or compels the granting of such rights of such lands, and that the determination of the applicability or effect of such law shall be unaffected by anything herein contained.

No provision of this joint resolution nor any authority granted thereby shall have application or be construed to apply with respect to any particular area or areas of the submerged lands of the Continental Shelf which may be described in any application for an oil or gas prospecting permit which was on file with the Department of the Interior ninety days prior to August 21, 1935.

SEC. 9. When used in this joint resolution, (a) the term "submerged lands of the Continental Shelf" means the lands (including the oil, gas, and other minerals therein) underlying the sea and situated outside the ordinary low water mark on the coast of the United States and outside the inland waters and extending seaward to the outer edge of the Continental Shelf; (b) the term "seaward boundary of a State" shall mean a line three miles distant from the points at which the paramount rights of the Federal Government in the submerged lands begin; (c) the term "mineral lease" means any form of authorization for the exploration, development or production of oil, gas, or other minerals; (d) the term "tidelands" means lands regularly covered and uncovered by the flow and the ebb of the tides; and (e) the term "Secretary" means the Secretary of the Interior.

[H. J. Res. 37, 83d Cong., 1st sess.]

JOINT RESOLUTION To acknowledge, confirm, and establish the title of the States to the navigable waters and lands beneath such navigable waters within State boundaries and to the natural resources within such lands and waters, and to provide for the use and control of said lands and resources

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That this joint resolution may be cited as the "Submerged Lands Act."

SEC. 2. When used in this Act—

(a) The term "lands beneath navigable waters" includes (1) all lands within the boundaries of each of the respective States which were covered by waters navigable under the laws of the United States at the time such State became a member of the Union, and all lands permanently or periodically covered by tidal waters up to but not above the line of mean high tide and seaward to a line three geographical miles distant from the coast line of each such State, and to the boundary line of each such State where in any case such boundary as it existed at the time such State became a member of the Union, or as heretofore or hereafter approved by Congress, extends seaward in the Atlantic or Pacific Ocean, in the Gulf of Mexico, or any of the Great Lakes, beyond three geographical miles, and (2) all filled in, made, or reclaimed lands which formerly were lands

beneath navigable waters, as herein defined. The term "boundary" or "boundaries" include the historic seaward boundaries of a State whether in the Pacific or Atlantic Ocean, in the Gulf of Mexico, or in any of the Great Lakes, as they existed at the time such State became a member of the Union, or as heretofore or hereafter approved by the Congress, or as extended or confirmed pursuant to section 4 hereof.

(b) The term "coast line" means the line of ordinary low water along that portion of the coastal waters which is in direct contact with the open sea, and which may be established by the respective States in accordance with the historic territorial coastal waters or coast line in connection with treaties approved by Congress or under any Act of Congress, as the line marking the seaward limit of inland waters, which include all estuaries, ports, harbors, bays, channels, straits, historic bays and sounds, and all other bodies of water which join the open sea.

(c) The term "grantees" and "lessees" include (without limitation the generality thereof) all political subdivisions, municipalities, public and private corporations, and other persons holding grants or leases from a State, or its predecessor sovereign, to lands beneath navigable waters if such grants or leases were issued in accordance with the constitution, statutes, and decisions of the courts of the State in which such lands are situated, or of its predecessor sovereign: *Provided, however,* That nothing herein shall be construed as conferring upon said grantees or lessees any greater rights or interests other than are described herein and in their respective grants from the State, or its predecessors sovereign.

(d) The term "natural resources" shall include, without limiting the generality thereof, sand, shells, metals, minerals, chemicals, and fish, shrimp, oysters, clams, crabs, lobsters, sponges, kelp, and other marine animal and plant life but shall not include water power, or the use of water for the production of power, at any site where the United States now owns the water power.

(e) The term "State" means any State of the Union.

(f) The term "person" includes any citizen of the United States, an association of such citizens, a State, a political subdivision of a State, or a private, public, or municipal corporation organized under the laws of the United States or of any State.

RIGHTS OF THE STATES TO LANDS BENEATH NAVIGABLE WATERS WITHIN STATE BOUNDARIES

SEC. 3. It is hereby determined and declared to be in the public interest that title to and ownership of the navigable waters and lands beneath navigable waters within the boundaries of the respective States, and the natural resources within such lands and waters, and the right and power to control, develop, and use the said natural resources all in accordance with applicable State law be, and they are hereby, subject to the provisions hereof, recognized, confirmed, established, and vested in the respective States or the persons who were on June 5, 1950, entitled thereto under the property law of the respective States in which the land is located, and the respective grantees, lessees, or successors in interst thereof; and the United States hereby releases and relinquishes unto said States and prsons aforesaid all right, title, and interest of the United States, if any it has, in and to all said waters and lands, moneys, improvements, and natural resources, and releases and relinquishes all claims of the United States, if any it has, arising out of any operations of said States or persons pursuant to State authority upon or within said lands and navigable waters. The rights, powers, and titles hereby recognized, confirmed, established, and vested in the respective States and their grantees are subject to each lease executed by a State, or its grantee, which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, and such rights, powers, and titles are further subject to the rights herein now granted to any person holding any such lease to continue to maintain the lease, and to conduct operations thereunder, in accordance with its provisions, for the full term thereof, and any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or of the State of the grantee which issued, such lease: *Provided, however,* That, if oil or gas was not being produced from such lease on and before December 11, 1950, then for a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provisions of such lease or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, such lease: *Provided, however,* That all rents, royalties, and other sums payable under such

lease and the laws of the State issuing, or of the State of the grantee which issued such lease between June 5, 1950, and the effective date hereof, which have not been paid to the State or its grantee issuing it or to the Secretary of the Interior of the United States, shall be paid to the State or its grantee issuing such lease within ninety days from the effective date hereof: *Provided, however*, That nothing in this Act shall affect the use, development, improvement, or control by or under the constitutional authority of the United States of said lands and waters for the purpose of navigation or flood control or the production of power at any site where the United States now owns or may hereafter acquire the water power or be construed as the release or relinquishment of any rights of the United States arising under the constitutional authority of Congress to regulate or improve navigation or to provide for flood control or the production of power at any site where the United States now owns the water power: *Provided further*, That nothing in this Act shall be construed as affecting or intending to affect or in any way interfere with or modify the laws of the States which lie wholly or in part westward of the ninety-eighth meridian, relating to the ownership and control of ground and surface waters; and the control, appropriation, use, and distribution of such waters shall continue to be in accordance with the laws of such States.

SEAWARD BOUNDARIES

SEC. 4. Any State which has not already done so may extend its seaward boundaries to a line three geographical miles distant from its coast line, or to a line coextensive with the historic seaward boundary of any adjoining State as established by Treaty approved by Congress or by Act of Congress, or in the case of the Great Lake States, to the international boundary of the United States. Any claim heretofore or hereafter asserted either by constitutional provision, statute, or otherwise, indicating the intent of a State so to extend its boundaries is hereby approved and confirmed, without prejudice to its claim, if any it has, that its boundaries extend beyond that line. Nothing in this section is to be construed as questioning or in any manner prejudicing the existence of any State's seaward boundary beyond three geographical miles if it was so provided by Treaty approved by Congress, or by Act of Congress, or by its Constitution or laws prior to or at the time such State became a member of the Union, or if it has been heretofore or is hereafter approved by Congress.

EXCEPTIONS FROM OPERATION OF SECTION 3 OF THIS ACT

SEC. 5. There is excepted from the operation of section 3 of this Act (a) all specifically described tracts or parcels of land and resources therein or improvements thereon title to which has been lawfully and expressly acquired by the United States from any State or from any person in whom title had vested under the decisions of the courts of such State, or their respective grantee, or successors in interest, by cession, grant, quitclaim, or condemnation, or from any other owner or owners thereof by conveyance or by condemnation, provided such owner or owners had lawfully acquired the title to such lands and resources in accordance with the laws or decisions of the courts of the State in which the lands are located; and (b) such lands beneath navigable waters within the boundaries of the respective States and such interests therein as are held by the United States in trust for the benefit of any tribe, band, or group of Indians or for individual Indians.

POWERS RETAINED BY THE UNITED STATES

SEC. 6. (a) The United States retains all its powers of regulation and control of said lands and navigable waters for the purposes of commerce, navigation, national defense, and international affairs, none of which includes any of the proprietary rights of ownership, or of use, development, and control of the lands and natural resources which are specifically recognized, confirmed, established, and vested in the respective States and others by section 3 of this Act.

(b) In time of war when necessary for national defense, and the Congress or the President shall so prescribe, the United States shall have the right of first refusal to purchase at the prevailing market price, all or any portion of the said natural resources, or to acquire and use any portion of said lands by proceeding in accordance with due process of law and paying just compensation therefor.

SEC. 7. Nothing in this Act shall be deemed to amend, modify, or repeal the Acts of July 26, 1866 (14 Stat. 251), July 9, 1870 (16 Stat. 217), March 3, 1877 (19 Stat. 377), June 17, 1902 (32 Stat. 388), and December 22, 1944 (58 Stat. 887), and Acts amendatory thereof or supplementary thereto.

SEC. 8. Nothing in this Act shall be deemed to affect in anywise any issues between the United States and the respective States relating to the ownership or control of that portion of the subsoil and sea bed of the Continental Shelf lying seaward and outside of the area of lands beneath navigable waters, described in sections 2 and 4 hereof.

SEC. 9. If any provision of this Act or the application thereof to any person or circumstance is held invalid, the validity of the remainder of the Act and of the application of such provision to other persons and circumstances shall not be affected thereby.

[H. J. Res. 39, 83d Cong., 1st sess.]

JOINT RESOLUTION To confirm and establish the titles of the States to lands beneath navigable waters within State boundaries and to the natural resources within such lands and waters, and to provide for the use and control of said lands and resources

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That this joint resolution may be cited as the "Submerged Lands Act."

TITLE I

DEFINITION

SEC. 2. When used in this Act—

(a) The term "lands beneath navigable waters" includes (1) all lands within the boundaries of each of the respective States which were covered by waters navigable under the laws of the United States at the time such State became a member of the Union, and all lands permanently or periodically covered by tidal waters up to but not above the line of mean high tide and seaward to a line three geographical miles distant from the coast line of each such State and to the boundary line of each such State where in any case such boundary as it existed at the time such State became a member of the Union, or as heretofore or hereafter approved by Congress, extends seaward (or into the Great Lakes or Gulf of Mexico) beyond three geographical miles, and (2) all filled in, made, or reclaimed lands which formerly were lands beneath navigable waters, as herein defined; the term "boundaries" includes the seaward boundaries of a State or its boundaries in the Gulf of Mexico or any of the Great Lakes as they existed at the time such State became a member of the Union, or as heretofore or hereafter approved by the Congress, or as extended or confirmed pursuant to section 4 hereof;

(b) The term "coast line" means the line of ordinary low water along that portion of the coast which is in direct contact with the open sea and the line marking the seaward limit of inland waters, which include all estuaries, ports, harbors, bays, channels, straits, historic bays, and sounds, and all other bodies of water which join the open sea.

(c) The term "grantees" and "lessees" include (without limiting the generality thereof) all political subdivisions, municipalities, public and private corporations, and other persons holding grants or leases from a State, or its predecessor sovereign, to lands beneath navigable waters if such grants or leases were issued in accordance with the constitution, statutes, and decisions of the courts of the State in which such lands are situated, or of its predecessor sovereign: *Provided, however*, That nothing herein shall be construed as conferring upon said grantees or lessees any greater rights or interests other than are described herein and in their respective grants from the State, or its predecessor sovereign.

(d) The term "natural resources" shall include, without limiting the generality thereof, fish, shrimp, oysters, clams, crabs, lobsters, sponges, kelp, and other marine animal and plant life but shall not include water power, or the use of water for the production of power, at any site where the United States now owns the water power.

(e) The term "lands beneath navigable waters" shall not include the beds of streams in lands now or heretofore constituting a part of the public lands of the United States if such streams were not meandered in connection with the public survey of such lands under the laws of the United States.

(f) The term "State" means any State of the Union.

(g) The term "person" includes any citizen of the United States, an association of such citizens, a State, a political subdivision of a State, or a private, public, or municipal corporation organized under the laws of the United States or of any State.

TITLE II

LANDS BENEATH NAVIGABLE WATERS WITHIN STATE BOUNDARIES

SEC. 3. RIGHTS OF THE STATES.—It is hereby determined and declared to be in the public interest that title to and ownership of the lands beneath navigable waters within the boundaries of the respective States, and the natural resources within such lands and waters, and the right and power to control, develop, and use the said natural resources all in accordance with applicable State law be, and they are hereby, subject to the provisions hereof, recognized, confirmed, established, and vested in the respective States or the persons who were on June 9, 1950, entitled thereto under the property law of the respective States in which the land is located, and the respective grantees, lessees, or successors in interest thereof; and the United States hereby releases and relinquishes unto said States and persons aforesaid all right, title, and interest of the United States, if any it has in and to all said lands, moneys, improvements, and natural resources, and releases and relinquishes all claims of the United States, if any it has, arising out of any operations of said States or persons pursuant to State authority upon or within said lands and navigable waters. The rights, powers, and titles hereby recognized, confirmed, established, and vested in the respective States and their grantees are subject to each lease executed by a State, or its grantee, which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, and such rights, powers, and titles are further subject to the rights herein now granted to any person holding any such lease to continue to maintain the lease, and to conduct operations thereunder, in accordance with its provisions, for the full term thereof, and any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued such lease: *Provided, however*, That, if oil or gas was not being produced from such lease on and before December 11, 1950, then for a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provisions of such lease or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, such lease: *Provided, however*, That all rents, royalties, and other sums payable under such lease and the laws of the State issuing or whose grantee issued such lease between June 5, 1950, and the effective date hereof, which have not been paid to the State or its grantee issuing it or to the Secretary of the Interior of the United States, shall be paid to the State or its grantee issuing such lease within ninety days from the effective date hereof: *Provided, however*, That nothing in this Act shall affect the use, development, improvement, or control by or under the constitutional authority of the United States of said lands and waters for the purpose of navigation or flood control or the production of power at any site where the United States now owns or may hereafter acquire the water power or be construed as the release or relinquishment of any rights of the United States arising under the constitutional authority of Congress to regulate or improve navigation or to provide for flood control or the production of power at any site where the United States now owns the water power: *Provided further*, That nothing in this Act shall be construed as affecting or intending to affect or in any way interfere with or modify the laws of the States which lie wholly or in part westward of the ninety-eighth meridian, relating to the ownership and control of ground and surface waters; and the control, appropriation, use, and distribution of such waters shall continue to be in accordance with the laws of such States.

SEC. 4. SEAWARD BOUNDARIES.—Any State which has not already done so may extend its seaward boundaries to a line three geographical miles distant from its coast line, or in the case of the Great Lakes, to the international boundary of the United States. Any claim heretofore or hereafter asserted either by constitutional provision, statute, or otherwise, indicating the intent of a State so to extend its boundaries is hereby approved and confirmed, without prejudice to its claim, if any it has, that its boundaries extend beyond that line. Nothing in this section is to be construed as questioning or in any manner prejudicing the existence of any State's seaward boundary beyond three geographical miles if it

was so provided by its Constitution or laws prior to or at the time such State became a member of the Union, or if it has been heretofore or is hereafter approved by Congress.

SEC. 5. EXCEPTIONS FROM OPERATION OF SECTION 3 OF THIS ACT.—There is excepted from the operation of section 3 of this Act—

(a) all specifically described tracts or parcels of land and resources therein or improvements thereon title to which has been lawfully and expressly acquired by the United States from any State or from any person in whom title had vested under the decisions of the courts of such State, or their respective grantees, or successors in interest, by cession, grant, quitclaim, or condemnation, or from any other owner or owners thereof by conveyance or by condemnation, provided such owner or owners had lawfully acquired the title to such lands and resources in accordance with the statutes or decisions of the courts of the State in which the lands are located; and

(b) such lands beneath navigable waters within the boundaries of the respective States and such interest therein as are held by the United States in trust for the benefit of any tribe, band, or group of Indians or for individual Indians.

SEC. 6. POWERS RETAINED BY THE UNITED STATES.—(a) The United States retains all its powers of regulation and control of said lands and navigable waters for the purposes of commerce, navigation, national defense, and international affairs, none of which includes any of the proprietary rights of ownership, or of use, development, and control of the lands and natural resources which are specifically recognized, confirmed, established, and vested in the respective States and others by section 3 of this Act.

(b) In time of war when necessary for national defense, and the Congress or the President shall so prescribe, the United States shall have the right of first refusal to purchase at the prevailing market price, all or any portion of the said natural resources, or to acquire and use any portion of said lands by proceeding in accordance with due process of law and paying just compensation therefor.

SEC. 7. Nothing in this Act shall be deemed to amend, modify, or repeal the Acts of July 26, 1866 (14 Stat. 251), July 9, 1870 (16 Stat. 217), March 3, 1877 (19 Stat. 377), June 17, 1902 (32 Stat. 388), and December 22, 1944 (58 Stat. 887), and Acts amendatory thereof or supplementary thereto.

SEC. 8. Nothing in this Act shall be deemed to affect in any wise any issues between the United States and the respective States relating to the ownership or control of that portion of the subsoil and sea bed of the continental shelf lying seaward and outside of the area of lands beneath navigable waters, described in section 2 hereof.

SEC. 9. If any provision of this Act or the application thereof to any person or circumstance is held invalid, the validity of the remainder of the Act and of the application of such provision to other persons and circumstances shall not be affected thereby.

[H. J. Res. 40, 83d Cong., 1st sess.]

JOINT RESOLUTION To confirm and establish the titles of the States to lands beneath navigable waters within State boundaries and to the natural resources within such lands and waters, and to provide for the use and control of said lands and resources

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That this joint resolution may be cited as the "Submerged Lands Act."

TITLE I

DEFINITION

SEC. 2. When used in this Act—

(a) The term "lands beneath navigable waters" includes (1) all lands within the boundaries of each of the respective States which were covered by waters navigable under the laws of the United States at the time such State became a member of the Union, and all lands permanently or periodically covered by tidal waters up to but not above the line of mean high tide and seaward to a line three geographical miles distant from the coast line of each such State and to the boundary line of each such State where in any case such boundary as it existed at the time such State became a member of the Union, or as heretofore or hereafter approved by Congress, extends seaward (or into the Great Lakes or Gulf of Mexico) beyond three geographical miles, and (2) all filled in, made, or reclaimed lands which formerly were lands beneath navigable waters, as herein

defined; the term "boundaries" includes the seaward boundaries of a State or its boundaries in the Gulf of Mexico or any of the Great Lakes as they existed at the time such State became a member of the Union, or as heretofore or hereafter approved by the Congress, or as extended or confirmed pursuant to section 4 hereof.

(b) The term "coast line" means the line of ordinary low water along that portion of the coast which is in direct contact with the open sea and the line marking the seaward limit of inland waters, which include all estuaries, ports, harbors, bays, channels, straits, historic bays, and sounds, and all other bodies of water which join the open sea.

(c) The terms "grantees" and "lessees" include (without limiting the generality thereof) all political subdivisions, municipalities, public and private corporations, and other persons holding grants or leases from a State, or its predecessor sovereign, to lands beneath navigable waters if such grants or leases were issued in accordance with the constitution, statutes, and decisions of the courts of the State in which such lands are situated, or of its predecessor sovereign; *Provided, however*, That nothing herein shall be construed as conferring upon said grantees or lessees any greater rights or interests other than described herein and in their respective grants from the State, or its predecessor sovereign.

(d) The term "natural resources" shall include, without limiting the generality thereof, fish, shrimp, oysters, clams, crabs, lobsters, sponges, kelp, and other marine animal and plant life but shall not include water power, or the use of water for the production of power, at any site where the United States now owns the water power.

(e) The term "lands beneath navigable waters" shall not include the beds of streams in lands now or heretofore constituting a part of the public lands of the United States if such streams were not meandered in connection with the public survey of such lands under the laws of the United States.

(f) The term "State" means any State of the Union.

(g) The term "person" includes any citizen of the United States, an association of such citizens, a State, a political subdivision of a State, or a private, public, or municipal corporation organized under the laws of the United States or of any State.

TITLE II

LANDS BENEATH NAVIGABLE WATERS WITHIN STATE BOUNDARIES

SEC. 3. RIGHTS OF THE STATES.—It is hereby determined and declared to be in the public interest that title to and ownership of the lands beneath navigable waters within the boundaries of the respective States, and the natural resources within such lands and waters, and the right and power to control, develop, and use the said natural resources all in accordance with applicable State law be, and they are hereby, subject to the provisions hereof, recognized, confirmed, established and vested in the respective States or the persons who were on June 5, 1950, entitled thereto under the property law of the respective States in which the land is located, and the respective grantees, lessees, or successors in interest thereof; and the United States hereby releases and relinquishes unto said States and person aforesaid all right, title, and interest of the United States, if any it has, in and to all said lands, moneys, improvements, and natural resources, and releases and relinquishes all claims of the United States, if any it has, arising out of any operations of said States or persons pursuant to State authority upon or within said lands and navigable waters. The rights, powers, and titles hereby recognized, confirmed, established, and vested in the respective States and their grantees are subject to each lease executed by a State, or its grantee, which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, and such rights, powers, and titles are further subject to the rights herein now granted to any person holding any such lease to continue to maintain the lease, and to conduct operations thereunder, in accordance with its provisions, for the full term thereof, and any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued such lease: *Provided, however*, That if oil or gas was not being produced from such lease on and before December 11, 1950, then for a term from the effective date hereof equal to the term

remaining unexpired on December 11, 1950, under the provisions of such lease or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, such lease: *Provided, however*, That all rents, royalties, and other sums payable under such lease and the laws of the State issuing or whose grantee issued such lease between June 5, 1950, and the effective date hereof, which have not been paid to the State or its grantee issuing it or to the Secretary of the Interior of the United States, shall be paid to the State or its grantee issuing such lease within ninety days from the effective date hereof: *Provided, however*, That nothing in this Act shall affect the use, development, improvement, or control by or under the constitutional authority of the United States of said lands and waters for the purposes of navigation or flood control or the production of power at any site where the United States now owns or may hereafter acquire the water power or be construed as the release or relinquishment of any rights of the United States arising under the constitutional authority of Congress to regulate or improve navigation or to provide for flood control or the production of power at any site where the United States now owns the water power: *Provided further*, That nothing in this Act shall be construed as affecting or intending to affect or in any way interfere with or modify the laws of the States which lie wholly or in part westward of the ninety-eighth meridian, relating to the ownership and control of ground and surface waters; and the control, appropriation, use, and distribution of such waters shall continue to be in accordance with the laws of such States.

SEC. 4. SEAWARD BOUNDARIES.—Any State which has not already done so may extend its seaward boundaries to a line three geographical miles distant from its coast line, or in the case of the Great Lakes, to the international boundary of the United States. Any claim heretofore or hereafter asserted either by constitutional provision, statute, or otherwise, indicating the intent of a State so to extend its boundaries is hereby approved and confirmed, without prejudice to its claim, if any it has, that its boundaries extend beyond that line. Nothing in this section is to be construed as questioning or in any manner prejudicing the existence of any State's seaward boundary beyond three geographical miles if it was so provided by its Constitution or laws prior to or at the time such State became a member of the Union, or if it has been heretofore or is hereafter approved by Congress.

SEC. 5. EXCEPTIONS FROM OPERATION OF SECTION 3 OF THIS ACT.—There is excepted from the operation of section 3 of this Act—

(a) all specifically described tracts or parcels of land and resources therein or improvements thereon title to which has been lawfully and expressly acquired by the United States from any State or from any person in whom title had vested under decisions of the courts of such State, or their respective grantees, or successors in interest, by cession, grant, quitclaim, or condemnation, or from any other owner or owners thereof by conveyance or by condemnation, provided such owner or owners had lawfully acquired the title to such lands and resources in accordance with the statutes or decisions of the courts of the State in which the lands are located; and

hereafter acquire the water power or be construed as the release or relinquishment of any rights of the United States arising under the constitutional authority of Congress to regulate or improve navigation or to provide for flood control or the production of power at any site where the United States now owns the water power: *Provided further*, That nothing in this Act shall be construed as affecting or intending to affect or in any way interfere with or modify the laws of the States which lie wholly or in part westward of the ninety-eighth meridian, relating to the ownership and control of ground and surface waters; and the control, appropriation, use, and distribution of such water shall continue to be in accordance with the laws of such States.

(b) such lands beneath navigable water within the boundaries of the respective States and such interest therein as are held by the United States in trust for the benefit of any tribe, band, or group of Indians or for individual Indians.

SEC. 6. POWERS RETAINED BY THE UNITED STATES.—(a) The United States retains all its powers of regulation and control of said lands and navigable waters for the purposes of commerce, navigation, national defense, and international affairs, none of which includes any of the proprietary rights of ownership, or of use, development, and control of the lands and natural resources which

are specifically recognized, confirmed, established, and vested in the respective States and others by section 3 of this Act.

(b) In time of war when necessary for national defense, and the Congress or the President shall so prescribe, the United States shall have the right of first refusal to purchase at the prevailing market price, all or any portion of the said natural resources, or to acquire and use any portion of said lands by proceeding in accordance with due process of law and paying just compensation therefor.

SEC. 7. Nothing in this Act shall be deemed to amend, modify, or repeal the Acts of July 26, 1866 (14 Stat. 251), July 9, 1870 (16 Stat. 217), March 3, 1877 (19 Stat. 377), June 17, 1902 (32 Stat. 388), and December 22, 1944 (58 Stat. 887), and Acts amendatory thereof or supplementary thereto.

SEC. 8. Nothing in this Act shall be deemed to affect in anywise any issues between the United States and the respective States relating to the ownership or control of that portion of the subsoil and sea bed of the Continental Shelf lying seaward and outside of the area of lands beneath navigable waters, described in section 2, hereof.

SEC. 9. If any provision of this Act or the application thereof to any person or circumstance is held invalid, the validity of the remainder of the Act and of the application of such provision to other persons and circumstances shall not be affected thereby.

[H. J. Res. 60, 83d Cong., 1st sess.]

JOINT RESOLUTION To confirm and establish the titles of the States to lands beneath navigable waters within State boundaries and to the natural resources within such lands and waters, and to provide for the use and control of said lands and resources

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That this joint resolution may be cited as the "Submerged Lands Act".

TITLE I

DEFINITION

SEC. 2. When used in this Act—

(a) The term "lands beneath navigable waters" includes (1) all lands within the boundaries of each of the respective States which were covered by waters navigable under the laws of the United States at the time such State became a member of the Union, and all lands permanently or periodically covered by tidal waters up to but not above the line of mean high tide and seaward to a line three geographical miles distant from the coastline of each such State and to the boundary line of each State where in any case such boundary as it existed at the time such State became a member of the Union, or as heretofore or hereafter approved by Congress, extends seaward (or into the Great Lakes or Gulf of Mexico) beyond three geographical miles, and (2) all filled in, made, or reclaimed lands which formerly were lands beneath navigable waters, as herein defined; the term "boundaries" include the seaward boundaries of a State or its boundaries in the Gulf of Mexico or any of the Great Lakes as they existed at the time such State became a member of the Union, or as heretofore or hereafter approved by the Congress, or as extended or confirmed pursuant to section 4 hereof;

(b) The term "coast line" means the line of ordinary low water along that portion of the coast which is in direct contact with the open sea and the line marking the seaward limit of inland waters, which include all estuaries, ports, harbors, bays, channels, straits, historic bays, and sounds, and all other bodies of water which join the open sea;

(c) The terms "grantees" and "lessees" include (without limiting the generality thereof) all political subdivisions, municipalities, public and private corporations, and other persons holding grants or leases from a State, or its predecessor sovereign, to lands beneath navigable waters if such grants or leases were issued in accordance with the constitution, statutes, and decisions of the courts of the State in which such lands are situated, or of its predecessor sovereign: *Provided, however*, That nothing herein shall be construed as conferring upon said grantees or lessees any greater rights or interests other than are described herein and in their respective grants from the State, or its predecessor sovereign;

(d) The term "natural resources" shall include, without limiting the generality thereof, fish, shrimp, oysters, clams, crabs, lobsters, sponges, kelp, and other marine animal and plant life but shall not include water power or the use of

water for the production of power at any site where the United States now owns the water power;

(e) The term "lands beneath navigable waters" shall not include the beds of streams in lands now or heretofore constituting a part of the public lands of the United States if such streams were not meandered in connection with the public survey of such lands under the laws of the United States;

(f) The term "continental shelf" means all submerged lands (1) which lie outside and seaward of lands beneath navigable waters as defined hereinabove in section 2 (a), and (2) of which the subsoil and natural resources appertain to the United States and are subject to its jurisdiction and control;

(g) The term "Secretary" means the Secretary of the Interior;

(h) The term "State" means any State of the Union;

(i) The term "coastal States" shall mean those States, any portion of which borders upon the Atlantic Ocean, the Gulf of Mexico, or the Pacific Ocean;

(j) The term "person" includes any citizen of the United States, an association of such citizens, a State, a political subdivision of a State, or a private, public, or municipal corporation organized under the laws of the United States or of any State;

(k) The term "lease" whenever used with reference to action by a State or its political subdivision or grantee prior to January 1, 1949, shall be regarded as including any form of authorization for the use, development or production of lands beneath navigable waters and the natural resources therein and thereunder, and the term "lessee" whenever used in such connection, shall be regarded as including any person having the right to develop or produce natural resources and any person having the right to use or develop lands beneath navigable waters under any such form of authorization;

(l) The term "Mineral Leasing Act" shall mean the Act of February 25, 1920 (41 Stat. 437; 30 U. S. C., sec. 181 and the following), and all Acts heretofore enacted which are amendatory thereof or supplementary thereto.

TITLE II

LANDS BENEATH NAVIGABLE WATERS WITHIN STATE BOUNDARIES

SEC. 3. RIGHTS OF THE STATES.—It is hereby determined and declared to be in the public interest that title to and ownership of the lands beneath navigable waters within the boundaries of the respective States, and the natural resources within such lands and waters, and the right and power to control, develop, and use the said natural resources all in accordance with applicable State law be, and they are hereby, subject to the provisions hereof, recognized, confirmed, established, and vested in the respective States or the persons who were on June 5, 1950, entitled thereto under the property law of the respective States in which the land is located, and the respective grantees, lessees, or successors in interest thereof; and the United States hereby releases and relinquishes unto said States and persons aforesaid all right, title, and interest of the United States, if any it has, in and to all said lands, moneys, improvements, and natural resources, and releases and relinquishes all claims of the United States, if any it has, arising out of any operations of said States or persons pursuant to State authority upon or within said lands and navigable waters. The rights, powers, and titles hereby recognized, confirmed, established, and vested in the respective States and their grantees are subject to each lease executed by a State, or its grantee, which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, and such rights, powers, and titles are further subject to the rights herein now granted to any person holding any such lease to continue to maintain the lease, and to conduct operations thereunder, in accordance with its provisions, for the full term thereof, and any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued such lease: *Provided, however*, That, if oil or gas was not being produced from such lease on and before December 11, 1950, then for a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provisions of such lease or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, such lease: *Provided, however*, That all rents, royalties, and other sums payable under such lease and the laws of the State issuing or whose grantee issued such lease between June 5, 1950, and the effective date hereof, which have not been paid to the State or its grantee issuing it or to the Secretary of the Interior of the United

States, shall be paid to the State or its grantee issuing such lease within ninety days from the effective date hereof: *Provided, however*, That nothing in this Act shall affect the use, development, improvement, or control by or under the constitutional authority of the United States of said lands and waters for the purposes of navigation or flood control or the production of power at any site where the United States now owns or may hereafter acquire the water power or be construed as the release or relinquishment of any rights of the United States arising under the constitutional authority of Congress to regulate or improve navigation or to provide for flood control or the production of power at any site where the United States now owns the water power: *Provided further*, That nothing in this Act shall be construed as affecting or intending to affect or in any way interfere with or modify the laws of the States which lie wholly or in part westward of the ninety-eighth meridian, relating to the ownership and control of ground and surface waters; and the control, appropriation, use, and distribution of such waters shall continue to be in accordance with the laws of such States.

SEC. 4. SEAWARD BOUNDARIES.—Any State which has not already done so may extend its seaward boundaries to a line three geographical miles distant from its coast line, or in the case of the Great Lakes, to the international boundary of the United States. Any claim heretofore or hereafter asserted either by constitutional provision, statute, or otherwise, indicating the intent of a State so to extend its boundaries is hereby approved and confirmed, without prejudice to its claim, if any it has, that its boundaries extend beyond that line. Nothing in this section is to be construed as questioning or in any manner prejudicing the existence of any State's seaward boundary beyond three geographical miles if it was so provided by its Constitution or laws prior to or at the time such State became a member of the Union, or if it has been heretofore or is hereafter approved by Congress.

SEC. 5. EXCEPTIONS FROM OPERATION OF SECTION 3 OF THIS ACT.—There is excepted from the operation of section 3 of this Act—

(a) all specifically described tracts or parcels of land and resources therein or improvements thereon title to which has been lawfully and expressly acquired by the United States from any State or from any person in whom title had vested under the decisions of the courts of such State, or their respective grantees, or successors in interest, by cession, grant, quitclaim, or condemnation, or from any other owner or owners thereof by conveyance or by condemnation, provided such owner or owners had lawfully acquired the title to such lands and resources in accordance with the statutes or decisions of the courts of the State in which the lands are located; and

(b) such lands beneath navigable waters within the boundaries of the respective States and such interests therein as are held by the United States in trust for the benefit of any tribe, band, or group of Indians or for individual Indians.

SEC. 6. POWERS RETAINED BY THE UNITED STATES.—(a) The United States retains all its powers of regulation and control of said lands and navigable waters for the purposes of commerce, navigation, national defense, and international affairs, none of which includes any of the proprietary rights of ownership, or of use, development, and control of the lands and natural resources which are specifically recognized, confirmed, established, and vested in the respective States and others by section 3 of this Act.

(b) In time of war when necessary for national defense, and the Congress or the President shall so prescribe, the United States shall have the right of first refusal to purchase at the prevailing market price, all or any portion of the said natural resources, or to acquire and use any portion of said lands by proceeding in accordance with due process of law and paying just compensation therefor.

SEC. 7. Nothing in this Act shall be deemed to amend, modify, or repeal the Acts of July 26, 1866 (14 Stat. 251), July 9, 1870 (16 Stat. 217), March 3, 1877 (19 Stat. 377), June 17, 1902 (32 Stat. 388), and December 22, 1944 (58 Stat. 887), and Acts amendatory thereof or supplementary thereto.

TITLE III

CONTINENTAL SHELF OUTSIDE STATE BOUNDARIES

SEC. 8. JURISDICTION OVER CONTINENTAL SHELF.—(a) It is hereby declared to be the policy of the United States that the natural resources of the subsoil and sea bed of the continental shelf appertain to the United States and are subject

to its jurisdiction, control, and power of disposition as provided in this Act. Except to the extent that it is exercised in a manner inconsistent with applicable Federal laws, the police power of each coastal State may extend to that portion of the continental shelf which would be within the boundaries of such State if extended seaward to the outer margin of the continental shelf. The police power includes, but is not limited to, the power of taxation, conservation, and control of the manner of conducting geophysical explorations. This Act shall be construed in such manner that the character as high seas of the waters above the continental shelf and the right to their free and unimpeded navigation shall not be affected.

(b) Oil and gas deposits in the continental shelf shall be subject to control and disposal only in accordance with the provisions of this Act and no rights in or claims to such deposits, whether based upon applications filed or other action taken heretofore or hereafter, shall be recognized except in accordance with the provisions of this Act.

SEC. 9. PROVISIONS FOR LEASING OF CONTINENTAL SHELF.—(a) When requested by any responsible and qualified person interested in purchasing oil and gas leases on any area of the continental shelf not then under lease issued by the abutting State or the Federal Government, or when in the Secretary's opinion there is a demand for the purchase of such leases, the Secretary shall offer for sale, on competitive sealed bidding, oil and gas leases on such area. Subject to the other terms and provisions hereof, sales of leases shall be made to the responsible and qualified bidder bidding the highest cash bonus per leasing unit. Notice of sale of oil and gas leases shall be published at least thirty days before the date of sale in accordance with rules and regulations promulgated by the Secretary, which publication shall contain (i) a description of the tracts into which the area to be leased has been subdivided by the Secretary for leasing purposes, such tracts being herein called "leasing units"; (ii) the minimum bonus per acre which will be accepted by the Secretary on each leasing unit; (iii) the amount of royalty as specified hereinafter in section 9 (d); (iv) the amount of rental per acre per annum on each leasing unit as specified hereinafter in section 9 (d); and (v) the time and place at which all bids shall be opened in public.

(b) The leasing unit shall be in reasonably compact form of such area and dimensions as may be determined by the Secretary, but shall not be less than six hundred and forty acres nor more than two thousand five hundred and sixty acres if within the known geologic structure of a producing oil or gas field and shall not be less than two thousand five hundred and sixty acres nor more than seven thousand six hundred and eighty acres if not within any known geologic structure of a producing oil or gas field.

(c) Oil and gas leases sold under the provisions of this section shall be for the primary term of five years and shall continue so long thereafter as oil or gas is produced therefrom in paying quantities. Each lease shall contain provisions requiring the exercise of reasonable diligence, skill, and care in the operation of the lease, and requiring the lessee to conduct his operations thereon in accordance with sound and efficient oil-field practices to prevent waste of oil or gas discovered under said lease or the entrance of water through wells drilled by him to the oil or gas sands or oil and gas bearing strata or the injury or destruction of the oil and gas deposits.

(d) Each lease shall provide that, on or after the discovery of oil or gas, the lessee shall pay a royalty of not less than 12½ per centum in amount or value of the production saved, removed, or sold from the leasing unit and, in any event, not less than $1 per acre per annum in lieu of rental for each lease year commencing after discovery. If after discovery of oil or gas the production thereof should cease from any cause, the lease shall not terminate, if lessee commences additional drilling or reworking operations within ninety days thereafter or, if it be within the primary term, commences or resumes the payment or tender of rentals or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of ninety days from date of cessation of production. All leases issued hereunder shall be conditioned upon the payment by the lessee of a rental of $1 per acre per annum for the second and every lease year thereafter during the primary term and in lieu of drilling operations on or production from the leasing unit, all such rentals to be payable on or before the beginning of each lease year.

(e) If, at the expiration of the primary term of any lease, oil or gas is not being produced in paying quantities on a leasing unit, but drilling operations are commenced not less than one hundred eighty days prior to the end of the primary

term and such drilling operations or other drilling operations have been and are being diligently prosecuted and the lessee has otherwise performed his obligations under the lease, the lease shall remain in force so long as drilling operations are prosecuted with reasonable diligence and in a good and workmanlike manner, and if they result in the production of oil or gas so long thereafter as oil or gas is produced therefrom in paying quantities.

(f) Should a lessee in a lease issued under the provisions of title III of this Act fail to comply with any of the provisions of this Act or of the lease, such lease may, upon proper showing, be canceled in an appropriate court proceeding because of such failure; but before the institution of such a court proceeding the Secretary shall allow the lessee twenty days in which to show cause in writing why the proceeding should not be instituted, and any submission made by the lessee during that period shall be given consideration by the Secretary in determining whether to recommend to the Attorney General that a court proceeding be instituted against the lessee. If a lease or any interest therein is owned or controlled, directly or indirectly, in violation of any of the provisions of this Act, the lease may be canceled, or the interest so owned or controlled may be forfeited or the person so owning or controlling the interest may be compelled to dispose of the interest in an appropriate court proceeding.

(g) The provisions of sections 17, 17 (b), 28, 30, 30 (a), 30 (b), 32, 36, and 39 of the Mineral Leasing Act to the extent that such provisions are not inconsistent with the terms of this Act, are made applicable to lands leased or subject to lease by the Secretary under title III of this Act.

(h) Each lease shall contain such other terms and provisions consistent with the provisions of this Act as may be prescribed by the Secretary. The Secretary may delegate his authority under this Act to officers or employees of the Department of the Interior and may authorize subdelegation to the extent that he may deem proper.

(i) Citizens of another country, the laws, customs, or regulations of which deny similar or like privileges to citizens or corporations of this country, shall not directly or by stock ownership, stock holding, stock control, trusteeship, or otherwise, own or control any interest in any lease acquired under the provisions of this section. Any ownership or interest forbidden in this section which may be acquired by decent, will, judgment, or decree may be held for two years and not longer after its acquisition. No lands leased under the provisions of this section shall be subleased, trusteed, possessed, or controlled by any device or in any manner whatsoever so that they form a part of or are in anywise controlled by any combination in the form of an unlawful trust, with the consent of the lessee, or form the subject in whole or in part of any contract, agreement, understanding, or conspiracy, entered into by the lessee, to restrain trade or commerce in the production or sale of oil or gas or to control the price of oil or gas.

(j) Any lease obtained through the exercise of fraud or misrepresentation, or which is not performed in accordance with its terms or with this law, may by appropriate court action be invalidated.

SEC. 10. EXCHANGE OF EXISTING STATE LEASES IN CONTINENTAL SHELF FOR FEDERAL LEASES.—(a) The Secretary is authorized and directed to issue a lease to any person in exchange for a lease covering lands in the continental shelf which (i) was issued by any State or its grantee prior to January 1, 1949, and which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, or (ii) was issued with the approval of the Secretary subsequent to January 1, 1949, and prior to the effective date of this Act and which on the effective date hereof was in force and effect in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease. Any lease issued pursuant to this section shall be for a term from the effective date hereof equal to the unexpired term of the old lease, or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, the same: *Provided, however*, That if oil or gas was not being produced from such old lease on and before December 11, 1950, then any such new lease shall be for a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provisions of the old lease or any extensions, renewals, or replacements authorized therein or heretofore authorized by the laws of the State issuing or whose grantee issued such lease, shall cover the same natural resources and the same portion of the continental shelf as the old lease, shall provide for payment to the United States of the same rentals, royalties, and other payments as are provided for in the old lease, and shall include such other terms and provisions, consistent

with the provisions of this Act, as may be prescribed by the Secretary. Operations under such old lease may be conducted as therein provided until the issuance of an exchange lease hereunder or until it is determined that no such exchange lease shall be issued. No lease which has been determined by appropriate court action to have been obtained by fraud or misrepresentation shall be accepted for exchange under this section.

(h) No such exchange lease shall be issued unless, (i) an application therefor, accompanied by a copy of the lease from the State or its political subdivision or grantee offered in exchange, is filed with the Secretary within six months from the effective date of this Act, or within such further period as provided in section 18 hereof, or as may be fixed from time to time by the Secretary; (ii) the applicant states in his application that the lease applied for shall be subject to the same overriding royalty obligations as the lease issued by the State or its political subdivision or grantee; (iii) the applicant pays to the United States all rentals, royalties, and other sums due to the lessor under the old lease which have or may become payable after December 11, 1950, and which have not been paid to the lessor under the old lease; (iv) the applicant furnishes such surety bond, if any, as the Secretary may require and complies with such other reasonable requirements as the Secretary may deem necessary to protect the interests of the United States; and (v) the applicant files with the Secretary a certificate issued by the State official or agency having jurisdiction showing that the old lease was in force and effect in accordance with its terms and provisions and the laws of the State issuing it on the applicable date provided for in paragraph (a) of this section; or, in the absence of such certificate, evidence in the form of affidavit, receipts, canceled checks, and other documents showing such facts.

(c) All rents, royalties, and other sums payable under any such lease after December 11, 1950, and before the issuance of an exchange lease as herein provided, may be paid to the United States, subject, however, to accounting to the State which issued such lease or under whose authority the same was issued, in accordance with the provisions of section 12 thereof.

(d) In the event any lease covers lands of the continental shelf as well as other lands, the provisions of this section shall apply to such lease insofar only as it covers lands of the continental shelf.

SEC. 11. ACTIONS INVOLVING CONTINENTAL SHELF.—Any court proceeding involving the continental shelf may be instituted in the United States district court for the district in which the lessee, or the person owning or controlling the lease interest, may be found or for the district in which the leased property, or some part thereof, is located; or, if no part of the leased property is within any district, for the district nearest to the property involved.

SEC. 12. DIVISION OF PROCEEDS FROM THE CONTINENTAL SHELF.—Each coastal State is hereby vested with the right to 37½ per centum of all moneys received by the United States, after the effective date of this Act, as bonus payments, rents, and royalties with respect to operations for oil, gas, or other minerals in lands in the continental shelf which would be within the boundaries of such State, if extended seaward to the outer margin of the continental shelf; and the Secretary of the Treasury within ninety days after the expiration of each fiscal year shall pay to each such State the moneys to which it is so entitled. All other moneys received by the United States from operations in the continental shelf, under the provisions of this Act, shall be paid into the Treasury of the United States and applied to the payment of the principal of the national debt. If and whenever the United States shall take and receive in kind all or any part of the royalties referred to in this section, the value of such royalties so taken in kind shall be deemed to be the prevailing market price thereof at the time and place of production, and there shall be paid to the State entitled thereto, as provided in this section, 37½ per centum of the value of such royalties.

SEC. 13. REFUNDS.—When it appears to the satisfaction of the Secretary that any person has made a payment to the United States in connection with any lease under this Act in excess of the amount he was lawfully required to pay, such excess shall be repaid to such person or his legal representative, if a request for repayment of such excess is filed with the Secretary within two years after the issuance of the lease or the making of the payment. The Secretary shall certify the amounts of all such repayments to the Secretary of the Treasury, who is authorized and directed to make such repayments out of any moneys not otherwise appropriated and to issue his warrant in settlement thereof.

SEC. 14. WAIVER OF LIABILITY FOR PAST OPERATIONS.—(a) No State, political subdivision or grantee thereof, shall be liable to or required to account to the United States in any way for entering upon, using, exploring for, developing,

producing, or disposing of natural resources from lands covered by title II or title III of this Act prior to the effective date of this Act.

(b) No lessee under any lease of submerged lands covered by this Act and granted by any State or political subdivision or grantee thereof prior to the effective date of this Act shall be liable or required to account to the United States for the use of such lands or any natural resources produced, extracted, or removed under such lease or for the value thereof, nor shall any person who has purchased or otherwise acquired such lands or natural resources be liable to account to the United States therefor or for the value thereof.

(c) If it shall be determined by appropriate court action that fraud has been practiced in the obtaining of any lease referred to herein or in the operations thereunder, the waivers provided in this section shall not be effective.

SEC. 15. POWERS RESERVED TO THE UNITED STATES.—The United States reserves and returns—

(a) in time of war or when necessary for national defense, and when so prescribed by the Congress or the President, the right (1) of first refusal to purchase at the prevailing market price all or any portion of the oil or gas that may be produced from the continental shelf; (11) to terminate any lease issued or authorized pursuant to or validated by title III of this Act, in which event the United States shall become the owner of wells, fixtures, and improvements located on the area of such lease and shall be liable to the lessee for just compensation for such leaseholds, wells, fixtures, and improvements, to be determined as in the case of condemnation; (lil) to suspend operations under any lease issued or authorized pursuant to or validated by title III of this Act, in which event the United States shall be liable to the lessee for such compensation as is required to be paid under the Constitution of the United States; and payment of rentals, minimum royalty, and royalty prescribed by such lease shall likewise be suspended during any period of suspension of operations, aud the term of any suspended lease shall be extended by adding thereto any snspension period:

(b) the right to designate by and throngh the Secretary of Defense, with the approval of the President, as restricted, those areas of the continental shelf needed for navigational purposes or for national defense; and so long as such designation remains in effect no exploration or operations may be condncted on any part of the surface of such area except with the concurrence of the Secretary of Defense; and if operations or production under any lease theretofore issned on lands within any such restricted area shall be suspended, any payment of rents, minimum royalty, and royalty prescribed by such lease likewise shall be suspended during such period of suspension of operation and production, and the term of such lease shall be extended by adding thereto anw such suspension period, and the United States shall be liable to the lessee for such compensation as is required to be paid under the Constitution of the Unlted States;

(c) the ownership of and the right to extract helium from all gas produced from the continental shelf, subject to any lease issued pursuant to or validated by this Act under such general rules and regulations as shall be prescribed by the Secretary, but in the extraction of helium from such gas it shall be so extracted as to cause no substantial delay in the delivery of gas produced to the purchaser of such gas.

SEC. 16. GEOLOGICAL AND GEOPHYSICAL EXPLORATIONS.—The right of any person, subject to applicable provisions of law, and of any agency of the United States to conduct geological and geophysical explorations in the continental shelf, which do not interfere with or endanger actual operations under any lease issued pursuant to this Act, is hereby recoguized.

SEC. 17. RIGHTS OF STATES NOT PREJUDICED.—Nothing contained in this Act shall operate to the prejudice of any State or of the United States in the determination by appropriate court action of any claim or claims of ownership or right of management, use, and disposition of the lands, minerals, or natural resonrces therein or thereunder within the continental shelf as these claims or rights may have existed prior to the passage of this Act. Any State which is found by appropriate court action to have owned or possessed, prior to the passage of this Act, the rights of management, use, or disposition of the lands, minerals, or other natural resources within any part of the continental shelf shall not by this Act be deprived of any such rights and powers.

SEC. 18. INTERPLEADER AND INTERIM ARRANGEMENTS.—(a) Notwithstanding the other provisions of this act, if any lessee under any lease of submerged lands granted by any State, its political subdivisions, or grantees, prior to the effective

date of this Act, shall file with the Secretary a certificate executed by such lessee under oath and stating that doubt exists (i) as to whether an area covered by such lease lies within the continental shelf, or (ii) as to whom the rents, royalties, or other sums payable under such lease are lawfully payable, or (iii) as to the validity of the claims of the State which issued, or whose political subdivision or grantee issued, such lease to the area covered by the lease and that such claims have not been determined by a final judgment of a court of competent jurisdiction—

(1) the lessee may interplead the United States and, with their consent, the State or States concerned, in an action filed in the United States district court having jurisdiction of any part of the area, and, in the event of State consent to be interpleaded, deposit with the clerk of that court all rents, royalties, and other sums payable under such lease after filing of such certificate, and such deposit shall be full performance of the lessee's obligation under such lease to make such payments; or

(2) the lessee may continue to pay all rents, royalties, and other sums payable under such lease to the State, its political subdivisions, or grantees, as in the lease provided, until it is determined by final judgment of a court of competent jurisdiction that such rents, royalties, and other sums should be paid otherwise, and thereafter such rents, royalties, and other sums shall be paid by said lessee in accordance with the determination of such final judgment. In the event it shall be determined by such final judgment that the United States is entitled to any moneys theretofore paid to any State or political subdivision or grantee thereof, such State, its political subdivision, or grantee, as the case may be, shall promptly account to the United States therefor; or

(3) the lessee of any such lease may file application for an exchange lease under section 10 hereof at any time prior to the expiration of six months after it is determined by final judgment of a court of competent jurisdiction that the claims of the State which issued, or whose political subdivision or grantee issued, such lease to the area covered by the lease are invalid, as against the United States and that the lands covered by such lease are within the continental shelf.

(h) If any area of the continental shelf or other lands covered by this Act included in any lease issued by a State or its political subdivision or grantee is involved in litigation between the United States and such State, its political subdivision, or grantee, the lessee in such lease shall have the right to intervene in such action and deposit with the clerk of the court in which such case is pending any rents, royalties, and other sums payable under the lease subsequent to the effective date of this Act, and such deposit shall be full discharge and acquittance of the lessee for any payment so made.

SEC. 19. If any provision of this Act or the application thereof to any person or circumstance is held invalid, the validity of the remainder of the Act and of the application of such provision to other persons and circumstances shall not be affected thereby.

[H. J. Res. 89, 83d Cong., 1st sess.]

JOINT RESOLUTION To provide that certain mineral leases issued by the States covering the submerged lands of the Continental Shelf shall remain in force and effect, and that others shall be issued by the Secretary of the Interior, and that the royalties from all such leases shall be used for grants-in-aid of primary, secondary, and higher education, and for other purposes

Whereas the Supreme Court of the United States on June 23, 1947, rendered an opinion in the case of United States versus California and on June 5, 1950, rendered opinions in the cases of United States versus Louisiana and United States versus Texas, holding that the United States has paramount rights in, and full dominion and power over, the submerged lands of the Continental Shelf adjacent to the shores of California, Louisiana, and Texas, and that the respective States do not own the submerged lands of the Continental Shelf within their boundaries; and

Whereas this Nation's system of primary, secondary, and higher education is confronted by a major crisis caused by (1) the unusually large growth in the school-age population, (2) the inadequate supply of teachers, and (3) the deteriorating and infirm physical plant of the American educational system; and

Whereas this Nation's children are its most valuable natural resource, and their education has, from the beginnings of this Republic, been a matter of the greatest importance to all Americans: Therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) those mineral leases covering submerged lands of the Continental Shelf issued by any State or political subdivision or grantee thereof (including any extension, renewal, or replacement thereof heretofore granted pursuant to the terms of such lease or under the laws of such State) shall be continued in force and effect: *Provided*, That—

(1) such lease, or a true copy thereof, shall have been filed with the Secretary by the lessee or his duly authorized agent within ninety days from the effective date of this joint resolution, or within such further period as may be determined by the Secretary;

(2) such lease (i) was issued prior to December 21, 1948, and was in force and effect in accordance with its terms and provisions and the law of the State issuing it on June 5, 1950, or (ii) was issued with the approval of the Secretary and was in force and effect in accordance with its terms and provisions and the law of the State issuing it on the effective date of this joint resolution;

(3) within ninety days from the effective date of this joint resolution, there shall have been filed with the Secretary (i) a certificate issued by the State official or agency having jurisdiction stating that the lease meets the requirements of paragraph (2) of this subsection or (ii), in the absence of such certificate, evidence in the form of affidavits, receipts, canceled checks, or other documents from which the Secretary shall determine whether such lease was so in force and effect;

(4) except as provided in section 3 of this joint resolution all rents, royalties, and other sums payable under such a lease between June 5, 1950, and the effective date of this joint resolution, which have not been paid, and all rents, royalties, and other sums payable under such a lease after the effective date of this resolution shall be paid to the Secretary, who shall deposit them in a special fund in the Treasury to be disposed of as provided in section 5 of this joint resolution;

(5) the holder of such lease agrees in writing, filed with the Secretary within ninety days from the effective date of this joint resolution, that such lease shall continue to be subject to the overriding royalty obligations existing on the effective date of this joint resolution;

(6) such lease was not obtained by fraud or misrepresentation;

(7) such lease, if issued on or after June 23, 1947, was issued upon the basis of competitive bidding;

(8) such lease provides for a royalty to the lessor of not less than 12½ per centum in amount or value of the production saved, removed, or sold under such lease. If the lease provides for a lesser royalty, the holder thereof may bring it within the provisions of this paragraph by consenting in writing, filed with the Secretary within ninety days from the effective date of this joint resolution, to the increase of the royalty to the minimum herein specified;

(9) such lease will terminate within a period of not more than five years from the effective date of this joint resolution in the absence of production or operations for drilling. If the lease provides for a longer period, the holder thereof may bring it within the provisions of this paragraph by consenting in writing, filed with the Secretary within ninety days from the effective date of this joint resolution, to the reduction of such period, so that it will not exceed the maximum period herein specified; and

(10) the holder of such lease furnishes such surety bond as the Secretary may require and complies with such other requirements as the Secretary may deem to be reasonable and necessary to protect the interests of the United States.

(b) A mineral lease which comes within the provisions of subsection (a) of this section shall continue in force and effect in accordance with its provisions for the full term thereof and of any extension, renewal, or replacement authorized therein or heretofore authorized by the law of the State issuing such lease, unless minerals were not being produced from such lease on or before December 11, 1950; then the lease shall remain in force and effect for a term from the effective date of this joint resolution equal to the term remaining unexpired on December 11, 1950, under the provisions of such lease, of any extensions, renewals, or

replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, such lease. A negative determination under this subsection may be made by the Secretary only after giving to the holder of the lease notice and an opportunity to be heard.

(c) The Secretary shall exercise such powers of supervision and control with respect to any mineral lease which meets the requirements of subsection (a) of this section as may be vested in the lessor by law or the terms and provisions of the lease.

(d) Nothing in subsection (b) of this section shall be construed to be a waiver of any claim, if any, which the United States may have against any person respecting sums payable or paid for or under the lease, or respecting activities conducted under the lease, prior to the effective date of this joint resolution.

SEC. 2. Upon the application of any lessor or lessee of a mineral lease issued by or under the authority of a State, its political subdivision or grantee on tidelands or submerged lands beneath navigable inland waters within the boundaries of such State, the Secretary, after obtaining the approval of the Attorney General of the United States is authorized to certify that the United States does not claim any interest in such lands or in the mineral deposits within them. The authority granted in this section shall not apply to rights of the United States in lands (a) which have been lawfully acquired by the United States from any State, either at the time of its admission into the Union or thereafter, or from any person in whom such rights had vested under the law of a State or under a treaty or other arrangement between the United States and a foreign power, or otherwise, or from a grantee or successor in interest of a State or such person; or (b) which were owned by the United States at the time of the admission of a State into the Union and which were expressly retained by the United States; or (c) which the United States lawfully holds under the law of the State in which the lands are situated; or (d) which are held by the United States in trust for the benefit of any person or persons, including any tribe, band, or group of Indians or for individual Indians.

SEC. 3. Notwithstanding subsections (a) and (c) of the first section of this joint resolution, in the event of a controversy between the United States and a State as to whether or not lands are submerged lands beneath navigable inland waters, the Secretary is authorized, after obtaining the approval of the Attorney General of the United States, to negotiate and enter into necessary agreements respecting operations under existing mineral leases and payment and impounding of rents, royalties, and other sums payable thereunder, or respecting the issuance or nonissuance of new mineral leases pending the settlement or adjudication of the controversy. Payments made to the United States pursuant to any such agreement shall be considered to be made in compliance with paragraph (4) of subsection (a) of the first section of this joint resolution. If final settlement or adjudication of such controversy is in favor of the United States, then all the provisions of this resolution shall apply. The authorization contained in this section is not, and shall not be construed to be, a limitation upon the authority conferred on the Secretary in other sections of this joint resolution.

SEC. 4. (a) The Secretary is authorized to issue to the highest qualified bidder, on the basis of competitive bidding, mineral leases on submerged lands of the Continental Shelf not covered by leases within the scope of subsection (a) of the first section of this joint resolution.

(b) A mineral lease issued by the Secretary pursuant to this section shall cover an area of such size and dimensions as he may determine, shall be for a period of five years and as long thereafter as minerals may be produced from the area in paying quantities or drilling or well reworking operations as approved by the Secretary are conducted thereon, shall require the payment of a royalty of not less than 12½ per centum, and shall contain such rental provisions and such other terms and provisions as the Secretary may by regulation prescribe in advance of offering the area for lease.

(c) All moneys paid to the Secretary for or under leases granted pursuant to this section shall be deposited in a special fund in the Treasury to be disposed of as provided in section 5 of this joint resolution.

(d) The issuance of any lease by the Secretary under this section, or the refusal of the Secretary to certify that the United States does not claim any interest in any submerged lands under section 2 of this joint resolution, shall not prejudice the ultimate settlement or adjudication of the question as to

whether or not the area involved is submerged land beneath the navigable inland waters.

SEC. 5. All moneys received by the Secretary from leases issued pursuant to this joint resolution shall be held for use as grants-in-aid of primary, secondary, and higher education.

SEC. 6. The National Advisory Council on Grants-in-Aid of Education is hereby created to be composed of twelve persons with experience in the field of education and public administration, four to be appointed by the President of the Senate, four by the Speaker of the House of Representatives, and four by the President of the United States. No more than two from each group of four appointees shall be of the same political party. It shall be the function of such Council to draft and report to the President of the United States for submission to the Congress not later than six months after the date of enactment of this joint resolution, a plan for an equitable allocation of the grants-in-aid of primary, secondary, and higher education provided in section 5 of this joint resolution.

SEC. 7. It shall be the duty of every State or political subdivision or grantee thereof having issued any mineral lease or grant covering submerged lands of the Continental Shelf to file with the Attorney General of the United States on or before December 31, 1953, a statement of the moneys or other things of value received by such State or political subdivision or grantee from or on account of such lease or grant since January 1, 1940, and the Attorney General shall submit the statement so received to the Congress not later than February 1, 1954.

SEC. 8. The provisions of section 5 of this joint resolution shall not apply to moneys received and held pursuant to any agreement pending the settlement or adjudication of any controversy referred to in section 3 of this joint resolution.

SEC. 9. The Secretary is authorized to issue such rules and regulations as he may deem to be necessary or advisable to carry out the purposes of this joint resolution.

SEC. 10. (a) The President may, at any time, withdraw from disposition any of the unleased lands of the Continental Shelf and reserve them for the use of the United States in the interest of national security.

(b) In time of war, or when the President shall so prescribe, the United States shall have the right of first refusal to purchase at the market price all or any portion of the minerals produced from the submerged lands covered by this joint resolution.

(c) All leases issued under this joint resolution, and leases, the maintenance and operation of which are authorized under this resolution, shall contain or be construed to contain a provision vesting authority in the Secretary, upon the recommendation of the Secretary of Defense, to suspend operations under, or to terminate any such lease during a state of war or national emergency declared by the Congress or the President after the effective date of this joint resolution, and for the payment of just compensation to the owner of any such lease.

SEC. 11. Nothing herein contained shall affect such rights, if any, as may have been acquired under any law of the United States by any person on lands subject to this joint resolution and such rights, if any, shall be governed by the law in effect at the time they may have been acquired. Nothing in this section is intended or shall be construed as a finding, interpretation or construction by the Congress that the law under which such rights may be claimed in fact applies to the lands subject to this joint resolution or authorizes or compels the granting of such rights of such lands, and that the determination of the applicability or effect of such law shall be unaffected by anything herein contained.

SEC. 12. When used in this joint resolution, (a) the term "submerged lands of the Continental Shelf" means the lands (including the oil, gas, and other minerals therein) underlying the sea and situated outside the ordinary low-water mark on the coast of the United States and outside the inland waters and extending seaward to the outer edge of the Continental Shelf; (b) the term "mineral lease" means any form of authorization for the exploration, development, or production of oil, gas, or other minerals; (c) the term "tidelands" means lands regularly covered and uncovered by the flow and the ebb of the tides; and (d) the term "Secretary" means the Secretary of the Interior.

[H. J. Res. 117, 83d Cong., 1st sess.]

JOINT RESOLUTION To confirm and establish the titles of the States to lands beneath navigable waters within State boundaries and to the natural resources within such lands and waters, and to provide for the use and control of said lands and resources

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That this joint resolution may be cited as the "Submerged Lands Act".

TITLE I

DEFINITION

SEC. 2. When used in this Act—

(a) The term "lands beneath navigable waters" includes (1) all lands within the boundaries of each of the respective States which were covered by waters navigable under the laws of the United States at the time such State became a member of the Union, and all lands permanently or periodically covered by tidal waters up to but not above the line of mean high tide and seaward to a line three geographical miles distant from the coast line of each such State and to the boundary line of each such State where in any case such boundary as it existed at the time such State became a member of the Union, or as heretofore or hereafter approved by Congress, extends seaward (or into the Great Lakes or Gulf of Mexico) beyond three geographical miles, and (2) all filled in, made, or reclaimed lands which formerly were lands beneath navigable waters, as herein defined; the term "boundaries" includes the seaward boundaries of a State or its boundaries in the Gulf of Mexico or any of the Great Lakes as they existed at the time such State became a member of the Union, or as heretofore or hereafter approved by the Congress, or as extended or confirmed pursuant to section 4 hereof.

(b) The term "coast line" means the line of ordinary low water along that portion of the coast which is in direct contact with the open sea and the line marking the seaward limit of inland waters, which include all estuaries, ports, harbors, bays, channels, straits, historic bays, and sounds, and all other bodies of water which join the open sea.

(c) The terms "grantees" and "lessees" include (without limiting the generality thereof) all political subdivisions, municipalities, public and private corporations, and other persons holding grants or leases from a State, or its predecessor sovereign, to lands beneath navigable waters if such grants or leases were issued in accordance with the constitution, statutes, and decisions of the courts of the State in which such lands are situated, or of its predecessor sovereign: *Provided, however*, That nothing herein shall be construed as conferring upon said grantees or lessees any greater rights or interests other than are described herein and in their respective grants from the State, or its predecessor sovereign.

(d) The term "natural resources" shall include, without limiting the generality thereof, fish, shrimp, oysters, clams, crabs, lobsters, sponges, kelp, and other marine animal and plant life but shall not include water power, or the use of water for the production of power, at any site where the United States now owns the water power.

(e) The term "lands beneath navigable waters" shall not include the beds of streams in lands now or heretofore constituting a part of the public lands of the United States if such streams were not meandered in connection with the public survey of such lands under the laws of the United States.

(f) The term "State" means any State of the Union.

(g) The term "person" includes any citizen of the United States, an association of such citizens, a State, a political subdivision of a State, or a private public, or municipal corporation organized under the laws of the United States or of any State.

TITLE II

LANDS BENEATH NAVIGABLE WATERS WITHIN STATE BOUNDARIES

SEC. 3. RIGHTS OF THE STATES.—It is hereby determined and declared to be in the public interest that title to and ownership of the lands beneath navigable waters within the boundaries of the respective States, and the natural resources within such lands and waters, and the right and power to control, develop, and use the said natural resources all in accordance with applicable State law be, and they are hereby, subject to the provisions hereof, recognized, confirmed, established, and vested in the respective States or the persons who were on June 5, 1950, entitled thereto under the property law of the respective States

in which the land is located, and the respective grantees, lessees, or successors in interest thereof; and the United States hereby releases and relinquishes unto said States and persons aforesaid all right, title, and interest of the United States, if any it has, in and to all said lands, moneys, improvements, and natural resources, and releases and relinquishes all claims of the United States, if any it has, arising out of any operations of said States or persons pursuant to State authority upon or within said lands and navigable waters. The rights, powers, and titles hereby recognized, confirmed, established, and vested in the respective States and their grantees are subject to each lease executed by a State, or its grantee, which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, and such rights, powers, and titles are further subject to the rights herein now granted to any person holding any such lease to continue to maintain the lease, and to conduct operations thereunder, in accordance with its provisions, for the full term thereof, and any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued such lease: *Provided, however*, That, if oil or gas was not being produced from such lease on and before December 11, 1950, then for a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provisions of such lease or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, such lease: *Provided, however*, That all rents, royalties, and other sums payable under such lease and the laws of the State issuing or whose grantee issued such lease between June 5, 1950, and the effective date hereof, which have not been paid to the State or its grantee issuing it or to the Secretary of the Interior of the United States, shall be paid to the State or its grantee issuing such lease within ninety days from the effective date hereof: *Provided, however*, That nothing in this Act shall affect the use, development, improvement, or control by or under the constitutional authority of the United States of said lands and waters for the purposes of navigation or flood control or the production of power at any site where the United States now owns or may hereafter acquire the water power or be construed as the release or relinquishment of any rights of the United States arising under the constitutional authority of Congress to regulate or improve navigation or to provide for flood control or the production of power at any site where the United States now owns the water power: *Provided further*, That nothing in this Act shall be construed as affecting or intending to affect or in any way interfere with or modify the laws of the States which lie wholly or in part westward of the ninety-eighth meridian, relating to the ownership and control of ground and surface waters; and the control, appropriation, use, and distribution of such waters shall continue to be in accordance with the laws of such States.

SEC. 4. SEAWARD BOUNDARIES.—Any State which has not already done so may extend its seaward boundaries to a line three geographical miles distant from its coast line, or in the case of the Great Lakes, to the international boundary of the United States. Any claim heretofore or hereafter asserted either by constitutional provision, statute, or otherwise, indicating the intent of a State so to extend its boundaries is hereby approved and confirmed, without prejudice to its claim, if any it has, that its boundaries extend beyond that line. Nothing in this section is to be construed as questioning or in any manner prejudicing the existence of any State's seaward boundary beyond three geographical miles if it was so provided by its Constitution or laws prior to or at the time such State became a member of the Union, or if it has been heretofore or is hereafter approved by Congress.

SEC. 5. EXCEPTIONS FROM OPERATION OF SECTION 3 OF THIS ACT.—There is excepted from the operation of section 3 of this Act—

(a) all specifically described tracts or parcels of land and resources therein or improvements thereon, title to which has been lawfully and expressly acquired by the United States from any State or from any person in whom title had vested under the decisions of the courts of such State, or their respective grantees, or successors in interest, by cession, grant, quitclaim, or condemnation, or from any other owner or owners thereof by conveyance or by condemnation, provided such owners or owners had lawfully acquired the title to such lands and resources in accordance with the statutes or decisions of the courts of the State in which the lands are located; and

(b) such lands beneath navigable waters within the boundaries of the respective States and such interests therein as are held by the United States

in trust for the benefit of any tribe, band, or group of Indians or for individual Indians.

SEC. 6. POWERS RETAINED BY THE UNITED STATES.—(a) The United States retains all its powers of regulation and control of said lands and navigable waters for the purposes of commerce, navigation, national defense, and international affairs, none of which includes any of the proprietary rights of ownerships, or of use, development, and control of the lands and natural resources which are specifically recognized, confirmed, established, and vested in the respective States and others by section 3 of this Act.

(b) In time of war when necessary for national defense, and the Congress or the President shall so prescribe, the United States shall have the right of first refusal to purchase at the prevailing market price, all or any portion of the said natural resources, or to acquire and use any portion of said lands by proceeding in accordance with due process of law and paying just compensation therefor.

SEC. 7. Nothing in this Act shall be deemed to amend, modify, or repeal the Acts of July 26, 1866 (14 Stat. 251), July 9, 1870 (16 Stat. 217), March 3, 1877 (19 Stat. 377), June 17, 1902 (32 Stat. 388), and December 22, 1944 (58 Stat. 887), and Acts amendatory thereof or supplementary thereto.

SEC. 8. Nothing in this Act shall be deemed to affect in any wise any issues between the United States and the respective States relating to the ownership or control of that portion of the subsoil and sea bed of the continental shelf lying seaward and outside of the area of lands beneath navigable waters, described in section 2 hereof.

SEC. 9. If any provision of this Act or the application thereof to any person or circumstance is held invalid, the validity of the remainder of the Act and of the application of such provision to other persons and circumstances shall not be affected thereby.

[H. J. Res. 126, 83d Cong., 1st sess.]

JOINT RESOLUTION To provide for the continuance of certain mineral leases issued by the States covering the submerged lands of the Continental Shelf and for the issuance of certain other mineral leases on such lands by the United States, to provide that the royalties from such leases shall be used for grants-in-aid of education and national defense, and for other purposes

Whereas there has been a tremendous increase in recent years in the number of pre-school-age and school-age children in this country which has placed an unprecedented strain on our whole educational structure and has created pressing needs for the education of many more people as teachers and for the construction of a great number of new buildings to be devoted to educational purposes; and

Whereas many of our institutions of higher education are in such dire financial straits that much-needed training and research in all fields of knowledge has been curtailed; and

Whereas it has long been an American tradition and a part of our belief in education that the public lands of this Nation should be dedicated in substantial part to the creation of an even greater resource, an educated citizenry; and

Whereas certain mineral leases on submerged lands of the Continental Shelf have been issued by coastal States under claim of ownership by such issuing States, and lessees have expended large sums of money in conducting operations under such leases; and

Whereas the Supreme Court of the United States on June 23, 1947, rendered an opinion in the case of United States versus California and on June 5, 1950, rendered opinions in the cases of United States versus Louisiana and United States versus Texas, holding that the United States has paramount rights in, and full dominion and power over, the submerged lands of the Continental Shelf adjacent to the shores of California, Louisiana, and Texas, and that the respective States do not own the submerged lands of the Continental Shelf within their boundaries; and

Whereas it is in the national interest and important to national defense in the present emergency that the orderly development of the oil and gas deposits in the submerged lands of the Continental Shelf should continue without interruption, especially in view of the time required for the exploration, development, production, and conservation of the oil and gas deposits in the submerged lands of the Continental Shelf: Therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That all moneys received under the provisions of this joint resolution shall be held in a special account in the Treasury during the present national emergency and until Congress shall otherwise provide, except as otherwise provided in section 8 of this joint resolution. The moneys in such special account shall be used only for such urgent developments essential to the national defense and national security as the Congress may determine and thereafter shall be used exclusively as grants-in-aid of primary, secondary, and higher education.

SEC. 2. The National Advisory Council on Grants-in-Aid of Education is hereby created to be composed of twelve persons with experience in the field of education and public administration, four to be appointed by the President of the Senate, four by the Speaker of the House of Representatives, and four by the President of the United States. It shall be the function of such Council to draw up and report to the President of the United States for submission to the Congress not later than February 1, 1955, a plan for the equitable allocation of the grants-in-aid of primary, secondary, and higher education provided for in the first section of this joint resolution.

SEC. 3. It shall be the duty of every State or political subdivision or grantee thereof having issued any mineral lease or grant, or leases or grants, covering submerged lands of the Continental Shelf to file with the Attorney General of the United States on or before December 31, 1953, a statement of the moneys or other things of value received by such State or political subdivision or grantee from or on account of such lease or grant, since January 1, 1940, and the Attorney General shall submit the statements so received to the Congress not later than February 1, 1954.

SEC. 4. (a) The provisions of this section shall apply to all mineral leases covering submerged lands of the Continental Shelf issued by any State or political subdivision or grantee thereof (including any extension, renewal, or replacement thereof heretofore granted pursuant to such lease or under the laws of such State): *Provided*, That—

(1) such lease, or a true copy thereof, shall have been filed with the Secretary by the lessee or his duly authorized agent within ninety days from the effective date of this joint resolution, or within such further period or periods as may be fixed from time to time by the Secretary;

(2) such lease was issued (i) prior to December 21, 1948, and was on June 5, 1950, in force and effect in accordance with its terms and provisions and the law of the State issuing it, or (ii) with the approval of the Secretary and was on the effective date of this joint resolution in force and effect in accordance with its terms and provisions and the law of the State issuing it;

(3) within the time specified in paragraph (1) of this subsection, there shall have been filed with the Secretary (i) a certificate issued by the State official or agency having jurisdiction and stating that the lease was in force and effect as required by the provisions of paragraph (2) of this subsection, or (ii) in the absence of such certificate, evidence in the form of affidavits, receipts, canceled checks, or other documents from which the Secretary shall determine whether such lease was so in force and effect;

(4) except as otherwise provided in section 6 of this joint resolution, all rents, royalties, and other sums payable under such a lease between June 5, 1950, and the effective date of this joint resolution, which have not been paid in accordance with the provisions thereof, and all rents, royalties, and other sums payable under such a lease after the effective date of this joint resolution shall be paid to the Secretary, who shall deposit them in a special fund in the Treasury to be disposed of as provided in the first section of this joint resolution;

(5) the holder of such lease certifies that such lease shall continue to be subject to the overriding royalty obligations existing on the effective date of this joint resolution;

(6) such lease was not obtained by fraud or misrepresentation;

(7) such lease, if issued on or after June 23, 1947, was issued upon the basis of competitive bidding;

(8) such lease provides for a royalty to the lessor of not less than 12½ per centum in amount or value of the production saved, removed, or sold under such lease: *Provided, however*, That if the lease provides for a lesser royalty, the holder thereof may bring it within the provisions of this paragraph by consenting in writing, filed with the Secretary, to the increase of the royalty to the minimum herein specified;

(9) such lease will terminate within a period of not more than five years from the effective date of this joint resolution in the absence of production or operations for drilling: *Provided, however*, That if the lease provides for a longer period, the holder thereof may bring it within the provisions of this paragraph by consenting in writing, filed with the Secretary, to the reduction of such period, so that it will not exceed the maximum period herein specified; and

(10) the holder of such lease furnishes such surety bond, if any, as the Secretary may require and complies with such other requirements as the Secretary may deem to be reasonable and necessary to protect the interests of the United States.

(b) Any person holding a mineral lease which comes within the provisions of subsection (a) of this section, as determined by the Secretary, may continue to maintain such lease, and may conduct operations thereunder, in accordance with its provisions for the full term thereof and of any extension, renewal or replacement authorized therein or heretofore authorized by the law of the State issuing such lease. A negative determination under this subsection may be made by the Secretary only after giving to the holder of the lease notice and an opportunity to be heard.

(c) With respect to any mineral lease that is within the scope of subsection (a) of this section, the Secretary shall exercise such powers of supervision and control as may be vested in the lessor by law or the terms and provisions of the lease.

(d) The permission granted in subsection (b) of this section shall not be construed to be a waiver of such claims, if any, as the United States may have against the lessor or the lessee or any other person respecting sums payable or paid for or under the lease, or respecting activities conducted under the lease, prior to the effective date of this joint resolution.

SEC. 5. The Secretary is authorized, with the approval of the Attorney General of the United States and upon the application of any lessor or lessee of a mineral lease issued by or under the authority of a State, its political subdivision or grantee, on tidelands or submerged lands beneath navigable inland waters within the boundaries of such State, to certify that the United States does not claim any interest in such lands or in the mineral deposits within them. The authority granted in this section shall not apply to rights of the United States in lands (a) which have been lawfully acquired by the United States from any State, either at the time of its admission into the Union or thereafter, or from any person in whom such rights had vested under the law of a State or under a treaty or other arrangement between the United States and a foreign power, or otherwise, or from a grantee or successor in interest of a State or such person; or (b) which were owned by the United States at the time of the admission of a State into the Union and which were expressly retained by the United States; or (c) which the United States lawfully holds under the law of the State in which the lands are situated; or (d) which are held by the United States in trust for the benefit of any person or persons, including any tribe, band, or group of Indians or for individual Indians.

SEC. 6. In the event of a controversy between the United States and a State as to whether or not lands are submerged lands beneath navigable inland waters, the Secretary is authorized, notwithstanding the provisions of subsections (a) and (c) of section 4 of this joint resolution, and with the concurrence of the Attorney General of the United States, to negotiate and enter into agreements with the State, its political subdivision or grantee or a lessee thereof, respecting operations under existing mineral leases and payment and impounding of rents, royalties, and other sums payable thereunder, or with the State, its political subdivision or grantee, respecting the issuance or nonissuance of new mineral leases pending the settlement or adjudication of the controversy: *Provided, however*, That the authorization contained in this section shall not be construed to be a limitation upon the authority conferred on the Secretary in other sections of this joint resolution. Payments made pursuant to such agreement, or pursuant to any stipulation between the United States and a State, shall be considered as compliance with paragraph (4) of subsection (a) of section 4 of this joint resolution. Upon the termination of such agreement or stipulation by reason of the final settlement or adjudication of such controversy, if the lands subject to any mineral lease are determined to be in whole or in part submerged land of the Continental Shelf, the lessee, if he has not already done so, shall comply with the requirements of subsection (a) of section 4, and thereupon the provisions of subsection (b) of section 4 shall govern such lease.

SEC. 7. (a) The Secretary is authorized, to grant to the qualified persons offering the highest bonuses on a basis of competitive bidding oil and gas leases on submerged lands of the Continental Shelf which are not covered by leases within the scope of subsection (a) of section 4 of this joint resolution.

(b) A lease issued by the Secretary pursuant to this section shall cover an area of such size and dimensions as the Secretary may determine, shall be for a period of five years and as long thereafter as oil or gas may be produced from the area in paying quantities, or drilling or well reworking operations as approved by the Secretary are conducted thereon, shall require the payment of a royalty of not less than 12½ per centum, and shall contain such rental provisions and such other terms and provisions as the Secretary may by regulation prescribe in advance of offering the area for lease.

(c) All moneys paid to the Secretary for or under leases granted pursuant to this section shall be deposited in a special fund in the Treasury to be disposed of as provided in the first section of this joint resolution.

(d) The issuance of any lease by the Secretary pursuant to this section, or the refusal of the Secretary to certify that the United States does not claim any interest in any submerged lands pursuant to section 5 of this joint resolution, shall not prejudice the ultimate settlement or adjudication of the question as to whether or not the area involved is submerged land beneath navigable inland waters.

SEC. 8. (a) Thirty-seven and one-half per centum of all moneys received as bonus payments, rents, royalties, and other sums payable with respect to operations in submerged coastal lands lying within the seaward boundary of any State shall be paid by the Secretary of the Treasury to such State within ninety days after the expiration of each fiscal year.

(b) The provisions of this section shall not apply to moneys received and held pursuant to any stipulation or agreement referred to in section 6 of this joint resolution pending the settlement or adjudication of the controversy.

(c) If and whenever the United States shall take and receive in kind all or any part of the royalty under a lease maintained or issued under the provisions of this joint resolution and covering submerged coastal lands lying within the seaward boundary of any State, the value of such royalty so taken in kind shall, for the purpose of subsection (a) of this section, be deemed to be the prevailing market price thereof at the time and place of production, and there shall be paid to the State entitled thereto 37½ per centum of the value of such royalty.

SEC. 9. The Secretary is authorized to issue such regulations as he may deem to be necessary or advisable in performing his functions under this joint resolution.

SEC. 10. (a) The President may, from time to time, withdraw from disposition any of the unleased lands of the Continental Shelf and reserve them for the use of the United States in the interest of national security.

(b) In time of war, or when the President shall so prescribe, the United States shall have the right of first refusal to purchase at the market price all or any portion of the oil and gas produced from the submerged lands covered by this joint resolution.

(c) All leases issued under this joint resolution, and leases, the maintenance and operation of which are authorized under this joint resolution, shall contain or be construed to contain a provision whereby authority is vested in the Secretary, upon the recommendation of the Secretary of Defense, during a state of war or national emergency declared by the Congress or the President after the effective date of this joint resolution, to suspend operations under, or to terminate any lease; and all such leases shall contain or be construed to contain provisions for the payment of just compensation to the lessee whose operations are thus suspended or whose lease is thus terminated.

SEC. 11. Nothing herein contained shall affect such rights, if any, as may have been acquired under any law of the United States by any person on lands subject to this joint resolution and such rights, if any, shall be governed by the law in effect at the time they may have been acquired. Nothing herein contained is intended or shall be construed as a finding, interpretation or construction by the Congress that the law under which such rights may be claimed in fact applies to the lands subject to this joint resolution or authorizes or compels the granting of such rights of such lands, and that the determination of the applicability or effect of such law shall be unaffected by anything herein contained.

SEC. 12. When used in this joint resolution, (a) the term "submerged lands of the Continental Shelf" means the lands (including the oil, gas, and other minerals therein) underlying the sea and situated outside the ordinary low water mark on

the coast of the United States and outside the inland waters and extending seaward to the outer edge of the Continental Shelf; (b) the term "seaward boundary of a State" shall mean a line three miles distant from the points at which the paramount rights of the Federal Government in the submerged lands begin; (c) the term "mineral lease" means any form of authorization for the exploration, development or production of oil, gas, or other minerals; (d) the term "tidelands" means lands regularly covered and uncovered by the flow and ebb of the tides; and (e) the term "Secretary" means the Secretary of the Interior.

[H. J. Res. 144, 83d Cong., 1st sess.]

JOINT RESOLUTION Defining certain terms, defining and extending certain boundaries, and for other purposes

PART I

Whereas it has become evident that important misunderstandings have arisen concerning the definitions of certain terms used in the laws of the United States and the several States; and

Whereas these certain terms are capable of unmistakable definition; and

Whereas these certain terms have definite meanings not only in domestic law but in admiralty and international law, and that it is highly desirable that there be no misunderstanding of the meaning, nor any misinterpretation of the definitions of these terms: Therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purposes of the laws of the United States and of the several States, and in the observance and execution of such laws the following definitions of terms are declared to be the meanings of such terms, and all persons charged with the execution of the laws of the United States shall take due notice thereof and regulate their acts and actions accordingly:

DEFINITIONS

High seas: The terms "high sea(s)", "open sea", and the term "ocean", mean that which is the common highway of nations, the common domain, within the body of no country and under the particular right or jurisdiction of no sovereign, but open, free, and common to all alike, as a common and equal right.

Maritime boundary: The term "maritime boundary" means, (a) the line where territorial waters meet the high sea, and (b) the line which marks the boundary between two territorial sovereignties which adjoin in waters.

Territorial waters: The term "territorial waters" means the marine belt or marginal seas lying between the open sea, or a maritime boundary, and a land territory and includes all marine inland waters; except that where applied to a body of inland water through which runs a maritime boundary, the term "territorial waters" shall mean the waters lying between such boundary and the main shore or bank of the land territory.

Territory: The term "territory" means an extent of land and water belonging to, or under the jurisdiction or sovereignty of a prince, state, or government of any form, or any given portion of it.

Tideland: The term "tideland" means the territory between the contour line at the elevation of mean high tide and the contour line at the elevation of mean low tide, and lying along a tidal water margin or shore.

Submerged land: The term "submerged land" means the continuation beneath the territorial waters, of land territory having an elevation lower than the elevation of mean low tide or mean low water.

Coast: The term "coast" when used as a proper noun and when used as a noun is a term describing an area, and means an extent of territory abutting upon the sea, and includes within it the inland waters of such territory and any natural appendages of the land territory which arise out of such waters as islands although these islands may not be of sufficient firmness to be inhabited or fortified.

Coast line: The term "coast line" means a regular line suitable for the purposes of navigation, describing the seaward limit of a coast.

Inland waters: The term "inland waters" means the waters, both marine and fresh, which are under sovereign jurisdiction and lie landward of a coast line, including all bays, historic bays and gulfs, channels, passages, sounds, estuaries, ports, harbors, and all other navigable waters.

PART II

Whereas the United States of America is a federation of sovereign States; and

Whereas the Constitution of the United States specifically describes and limits the powers, rights, duties, and sovereignty of the Federal Government thereby established, and specifically by the tenth amendment thereto reserves to the States respectively or to the people the powers not delegated to the United States: Therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the boundaries of the United States are coextensive with the international and maritime boundaries of the border and maritime States however acquired; and

That the boundaries of the border and the maritime States extend to and coincide with boundaries of the United States however acquired.

PART III

Whereas that body of water known as the "Gulf of Mexico" is an arm of the Caribbean Sea lying between the headlands formed by the southerly portion of the State of Florida in the United States of America and by the peninsula of Yucatan in the United States of Mexico; and

Whereas at the time of its discovery and claim established by discovery and the exercise of sovereignty and dominion by the sovereign of its historical discoverers, the King of Spain, the Gulf of Mexico and the lands bordering upon it were for nearly two centuries under his sole sovereignty and dominion; and

Whereas events subsequent thereto have divided the sovereignty and dominion over the lands bordering upon the Gulf of Mexico between several States of the United States on the one hand and the United States of Mexico on the other; and

Whereas it now appears that certain portions of the lands submerged beneath waters of the Gulf of Mexico contain, and others may contain, valuable extractable minerals; and

Whereas the submerged lands beneath the waters of the Gulf of Mexico are now subject to an uncertain but evidently divided sovereignty and dominion: Therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That until the several territorial jurisdictions in the Gulf of Mexico shall have been duly ascertained and established, the United States of America does hereby establish and proclaim on behalf of its several States bordering upon the Gulf of Mexico, and for itself, that their maritime boundaries be, and they are hereby, extended to a line described as follows: Beginning at the easterly end point of the established boundary between the United States of America and the United States of Mexico and thence easterly along the arc of a great circle to the point of tangency of said arc with the most southerly maritime boundary of the State of Florida; be it further

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That pending final establishment of such extension of such boundaries, it is the sense of the Congress that the several States of the United States having boundaries on or in the Gulf of Mexico should open appropriate negotiations with the object of concluding interstate compacts between such States providing for the extension of the boundaries between them to intersect the line herein described, and that the Congress does hereby give its consent to them and each of them to enter into such interstate compacts; be it further

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That any such compact shall not be obligatory upon the signatory States unless and until it shall have been approved by the legislatures of such States and by the Congress of the United States; and be it further

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That so much of the waters of the Gulf of Mexico as lie northerly of the herein described line are hereby declared to be "inland waters" of the several States having boundaries on or in the Gulf of Mexico.

PART IV

Whereas certain decisions and decrees of the Supreme Court of the United States have served to becloud the dominion and sovereignty of the States over, and their titles to, submerged lands and filled or made lands in nearly all if

not all of the States and many of their political subdivisions, thereby causing great confusion and distress to their lessees, licensees, grantees, and other parties in interest; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal Government of the United States disclaims on behalf of the United States in perpetuity any right, title, or interest in or to any submerged lands, filled lands, made lands, or anything of value that may have been or may be erected upon them or found within, on or above them, except such rights as are, or hereafter may be, granted to the United States specifically by the Constitution, and except such rights and titles as the United States has heretofore acquired and may hereafter acquire by due process of law and payment for value received, or by cession by the States or any of their political subdivisions; and be it further

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That if any such right, title, or interest may have been acquired by the United States by virtue of any decision or decree of the Supreme Court of the United States, then the United States does hereby quitclaim such right, title, or interest unto the States, their lessees, licensees, grantees, and all persons having lawful interest of any kind pursuant to the laws of a State forever.

[H. J. Res. 153, 83d Cong., 1st sess.]

JOINT RESOLUTION To abrogate Executive Order Numbered 10426, dated January 16, 1953, relating to submerged lands of the continental shelf

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That Executive Order Numbered 10426, dated January 16, 1953, entitled "Setting Aside Submerged Lands of the Continental Shelf as a Naval Petroleum Reserve", is hereby abrogated as of the time of issuance thereof, and all powers, duties, rights, privileges, and legal relationships shall be the same as though such Executive order had never been issued.

[H. J. Res. 168, 83d Cong., 1st sess.]

JOINT RESOLUTION To acknowledge, confirm, and establish the title of the States to the navigable waters and lands beneath such navigable waters within State boundaries and to the natural resources within such lands and waters, and to provide for the use and control of said lands and resources

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That this joint resolution may be cited as the "Submerged Lands Act".

TITLE I

DEFINITION

SEC. 2. When used in this Act—

(a) The term "lands beneath navigable waters" includes (1) all lands within the boundaries of each of the respective States which were covered by waters navigable under the laws of the United States at the time such State became a member of the Union, and all lands permanently or periodically covered by tidal waters up to but not above the line of mean high tide and seaward to the edge of the continental shelf of each such State or to the boundary line of each such State where in any case such boundary as it existed at the time such State became a member of the Union, or as heretofore or hereafter approved by Congress, extends seaward in the Atlantic or Pacific Ocean, in the Gulf of Mexico or any of the Great Lakes beyond the edge of the continental shelf, and (2) all filled in, made, or reclaimed lands which formerly were lands beneath navigable waters, as herein defined; the term "boundary" or "boundaries" includes the historic seaward boundaries of a State whether in the Pacific or Atlantic Ocean, in the Gulf of Mexico or in any of the Great Lakes as they existed at the time such State became a member of the Union, or as heretofore or hereafter approved by the Congress, or as extended or confirmed pursuant to section 4 hereof;

(b) The term "coast line" means the line of ordinary low water along that portion of the coastal waters coast which is in direct contact with the open sea, and which may be established by the respective States in accordance with the

historic territorial coastal waters or coastline in connection with treaties approved by Congress or under any Act of Congress, as the line marking the seaward limit of inland waters, which include all estuaries, ports, harbors, bays, channels, straits, historic bays, and sounds, and all other bodies of water which join the open sea.

(c) The terms "grantees" and "lessees" include (without limiting the generality thereof) all political subdivisions, municipalities, public and private corporations, and other persons holding grants or leases from a State, or its predecessor sovereign, to lands beneath navigable waters if such grants or leases were issued in accordance with the constitution, statutes, and decisions of the courts of the State in which such lands are situated, or of its predecessor sovereign: *Provided, however*, That nothing herein shall be construed as conferring upon said grantees or lessees any greater rights or interests other than are described herein and in their respective grants from the State, or its predecessor sovereign.

(d) The term "natural resources" shall include, without limiting the generality thereof, sand, shells, metals, minerals, chemicals, and fish, shrimp, oysters, clams, crabs, lobsters, sponges, kelp, and other marine animal and plant life but shall not include water power, or the use of water for the production of power, at any site where the United States now owns the water power.

(e) The term "State" means any State of the Union.

(f) The term "person" includes any citizen of the United States, an association of such citizens, a State, a political subdivision of a State, or a private, public, or municipal corporation organized under the laws of the United States or of any State.

RIGHTS OF THE STATES TO LANDS BENEATH NAVIGABLE WATERS WITHIN STATE BOUNDARIES

SEC. 3. It is hereby determined and declared to be in the public interest that title to and ownership of the navigable water and lands beneath navigable waters within the boundaries of the respective States, and the natural resources within such lands and waters, and the right and power to control, develop, and use the said natural resources all in accordance with applicable State law be, and they are hereby, subject to the provisions hereof, recognized, confirmed, established, and vested in the respective States or the persons who were on June 5, 1950, entitled thereto under the property law of the respective States in which the land is located, and the respective grantees, lessees, or successors in interest thereof; and the United States hereby releases and relinquishes unto said States and persons aforesaid all right, title, and interest of the United States, if any it has, in and to all said waters and lands, moneys, improvements, and natural resources, and releases and relinquishes all claims of the United States, if any it has, arising out of any operations of said States or persons pursuant to State authority upon or within said lands and navigable waters. The rights, powers, and titles hereby recognized, confirmed, established, and vested in the respective States and their grantees are subject to each lease executed by a State, or its grantee, which was in force and effect on June 5, 1950, in accordance with its terms and provisions and the laws of the State issuing, or whose grantee issued, such lease, and such rights, powers, and titles are further subject to the rights herein now granted to any person holding any such lease to continue to maintain the lease, and to conduct operations thereunder, in accordance with its provisions, for the full term thereof, and any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or of the State of the grantee which issued such lease: *Provided, however*, That, if oil or gas was not being produced from such lease on and before December 11, 1950, then for a term from the effective date hereof equal to the term remaining unexpired on December 11, 1950, under the provisions of such lease or any extensions, renewals, or replacements authorized therein, or heretofore authorized by the laws of the State issuing, or whose grantee issued, such lease: *Provided, however*, That all rents, royalties, and other sums payable under such lease and the laws of the State issuing or of the State of the grantee which issued such lease between June 5, 1950, and the effective date hereof, which have not been paid to the State or its grantee issuing it or to the Secretary of the Interior of the United States, shall be paid to the State or its grantee issuing such lease within ninety days from the effective date hereof: *Provided, however*, That nothing in this Act shall affect the use, development, improvement, or control by or under the constitutional authority of the United States of said lands and waters for the purposes of navigation or flood control or the production of power at any site where the United States now owns or may hereafter acquire the water power or be construed as the release or relinquishment of any rights of the

United States arising under the constitutional authority of Congress to regulate or improve navigation or to provide for flood control or the production of power at any site where the United States now owns the water power: *Provided further*, That nothing in this Act shall be construed as affecting or intending to affect or in any way interfere with or modify the laws of the States which lie wholly or in part westward of the ninety-eighth meridian, relating to the ownership and control of ground and surface waters; and the control, appropriation, use, and distribution of such waters shall continue to be in accordance with the laws of such States.

SEAWARD BOUNDARIES

SEC. 4. Any State which has not already done so may extend its seaward boundaries to the edge of the continental shelf or to a line coextensive with the historic seaward boundary of any adjoining State as established by treaty approved by Congress or by Act of Congress or in the case of the Great Lakes States, to the international boundary of the United States. Any claim heretofore or hereafter asserted either by constitutional provision, statute, or otherwise, indicating the intent of a State so to extend its boundaries is hereby approved and confirmed, without prejudice to its claim, if any it has, that its boundaries extend beyond that line.

EXCEPTIONS FROM OPERATION OF SECTION 3 OF THIS ACT

SEC. 5. There is excepted from the operation of section 3 of this Act (a) all specifically described tracts or parcels of land and resources therein or improvements thereon title to which has been lawfully and expressly acquired by the United States from any State or from any person in whom title had been vested under the decisions of the courts of such State, or their respective grantees, or successors in interest, by cession, grant, quitclaim, or condemnation, or from any other owner or owners thereof by conveyance or by condemnation, provided such owner or owners had lawfully acquired the title to such lands and resources in accordance with the laws or decisions of the courts of the State in which the lands are located; and (b) such lands beneath navigable waters within the boundaries of the respective States and such interests therein as are held by the United States in trust for the benefit of any tribe, band, or group of Indians or for individual Indians.

POWERS RETAINED BY THE UNITED STATES

SEC. 6. (a) The United States retains all its powers of regulation and control of said lands and navigable waters for the purposes of commerce, navigation, national defense, and international affairs, none of which includes any of the proprietary rights of ownership, or of use, development, and control of the lands and natural resources which are specifically recognized, confirmed, established, and vested in the respective States and others by section 3 of this Act.

(b) In time of war when necessary for national defense, and the Congress or the President shall so prescribe, the United States shall have the right of first refusal to purchase at the prevailing market price, all or any portion of the said natural resources, or to acquire and use any portion of said lands by proceeding in accordance with due process of law and paying just compensation therefor.

SEC. 7. Nothing in this Act shall be deemed to amend, modify, or repeal the Acts of July 26, 1866 (14 Stat. 251), July 9, 1870 (16 Stat. 217), March 3, 1877 (19 Stat. 377), June 17, 1902 (32 Stat. 388), and December 22, 1944 (58 Stat. 887), and Acts amendatory thereof or supplementary thereto.

SEC. 8. If any provision of this Act or the application thereof to any person or circumstance is held invalid, the validity of the remainder of the Act and of the application of such provision to other persons and circumstances shall not be affected thereby.

[H. J. Res. 196, 83d Cong., 1st sess.]

JOINT RESOLUTION Defining certain terms, defining and extending certain boundaries, and for other purposes

PART I

Whereas it has become evident that important misunderstandings have arisen concerning the definitions of certain terms used in the laws of the United States and the several States; and

Whereas these certain terms are capable of unmistakable definition; and

Whereas these certain terms have definite meanings not only in domestic law but in admiralty and international law, and that it is highly desirable that there be no misunderstanding of the meaning, nor any misinterpretation of the definitions of these terms: Therefore be it.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purposes of the laws of the United States and of the several States, and in the observance and execution of such laws the following definitions of terms are declared to be the meanings of such terms, and all persons charged with the execution of the laws of the United States shall take due notice thereof and regulate their acts and actions accordingly:

DEFINITIONS

High seas: The terms "high sea(s)", "open sea", and the term "ocean", mean that which is the common highway of nations, the common domain, within the body of no country and under the particular right or jurisdiction of no sovereign, but open, free, and common to all alike, as a common and equal right.

Maritime boundary: The term "maritime boundary" means, (a) the line where territorial waters meet the high sea, and (b) the line which marks the boundary between two territorial sovereigntles which adjoin in waters.

Territorial waters: The term "territorial waters" means the marine belt or marginal seas lying between the open sea, or a maritime boundary, and a land territory and includes all marine inland waters; except that where applied to a body of inland water through which runs a maritime bonndary, the term "territorial waters" shall mean the waters lying between such boundary and the main shore or bank of the land territory.

Territory: The term "territory" means an extent of land and water belonging to, or under the jurisdiction or sovereignty of a prince, state, or government of any form, or any given portion of it.

Tideland: The term "tideland" means the territory between the contour line at the elevation of mean high tide and the contour line at the elevation of mean low tide, and lying along a tidal water margin or shore.

Submerged land: The term "submerged land" means the continuation beneath the territorial waters, of land territory having an elevation lower than the elevation of mean low tide or mean low water.

Coast: The term "coast" when used as a proper noun and when used as a noun is a term describing an area, and means an extent of territory abutting upon the sea, and includes within it the inland waters of such territory and any natural appendages of the land territory which arise out of such waters as islands although these islands may not be of sufficient firmness to be inhabited or fortified.

Coast line: The term "coast line" means a regular line suitable for the purposes of navigation, describing the seaward limit of a coast.

Inland waters: The term "inland waters" means the waters, both marine and fresh, which are under sovereign jurisdiction and lie landward of a coast line, including all bays, historic bays and gulfs, channels, passages, sounds, estuaries, ports, harbors, and all other navigable waters.

PART II

Whereas the United States of America is a federation of sovereign States; and

Whereas the Constitution of the United States specifically describes and limits the powers, rights, duties, and sovereignty of the Federal Government thereby established, and specifically by the tenth amendment thereto reserves to the States respectively or to the people the powers not delegated to the United States: Therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the boundaries of the United States are coextensive with the international and maritime boundaries of the border and maritime States however acquired; and

That the boundaries of the border and the maritime States extend to and coincide with boundaries of the United States however acquired.

PART III

Whereas that body of water known as the "Gulf of Mexico" is an arm of the Caribbean Sea lying between the headlands formed by the southerly portion of the State of Florida in the United States of America and by the peninsula of Yucatan in the United States of Mexico; and

Whereas at the time of its discovery and claim established by discovery and the exercise of sovereignty and dominion by the sovereign of its historical discoverers, the King of Spain, the Gulf of Mexico and the lands bordering upon it were for nearly two centuries under his sole sovereignty and dominion; and

Whereas events subsequent thereto have divided the sovereignty and dominion over the lands bordering upon the Gulf of Mexico between several States of the United States, on the one hand, and the United States of Mexico, on the other; and

Whereas it now appears that certain portions of the lands submerged beneath waters of the Gulf of Mexico contain, and others may contain, valuable extractable minerals; and

Whereas the submerged lands beneath the waters of the Gulf of Mexico are now subject to an uncertain but evidently divided sovereignty and dominion: Therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That until the several territorial jurisdictions in the Gulf of Mexico shall have been duly ascertained and established, the United States of America does hereby establish and proclaim on behalf of its several States bordering upon the Gulf of Mexico, and for itself, that their maritime boundaries be, and they are hereby, extended to a line described as follows: Beginning at the easterly end point of the established boundary between the United States of America and the United States of Mexico and thence easterly along the arc of a great circle to the point of tangency of said arc with the most southerly maritime boundary of the State of Florida; be it further

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That pending final establishment of such extension of such boundaries, it is the sense of the Congress that the several States of the United States having boundaries on or in the Gulf of Mexico should open appropriate negotiations with the object of concluding interstate compacts between such States providing for the extension of the boundaries between them to intersect the line herein described, and that the Congress does hereby give its consent to them and each of them to enter into such interstate compacts; be it further

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That any such compact shall not be obligatory upon the signatory States unless and until it shall have been approved by the legislatures of such States and by the Congress of the United States; and be it further

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That so much of the waters of the Gulf of Mexico as lie northerly of the herein described line are hereby declared to be "inland waters" of the several States having boundaries on or in the Gulf of Mexico.

PART IV

Whereas certain decisions and decrees of the Supreme Court of the United States have served to becloud the dominion and sovereignty of the States over, and their titles to, submerged lands and filled or made lands in nearly all if not all of the States and many of their political subdivisions, thereby causing great confusion and distress to their lessees, licensees, grantees, and other parties in interest: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal Government of the United States disclaims on behalf of the United States in perpetuity any right, title, or interest in or to any submerged lands, filled lands, made lands, or anything of value that may have been or may be erected upon them or found within, on or above them, except such rights as are, or hereafter may be, granted to the United States specifically by the Constitution, and except such rights and titles as the United States has heretofore acquired and may hereafter acquire by due process of law and payment for value received, or by cession by the States or any of their political subdivisions; and be it further

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That if any such right, title, or interest may have been acquired by the United States by virtue of any decision or decree of the Supreme Court of the United States, then the United States does hereby quitclaim such right, title, or interest unto the States, their lessees, licensees,

grantees, and all persons having lawful interest of any kind pursuant to the laws of a State forever.

Mr. GRAHAM. Now will you proceed, Mr. Brownell.

STATEMENT OF HON. HERBERT BROWNELL, JR., ATTORNEY GENERAL OF THE UNITED STATES

Attorney General BROWNELL. Mr. Chairman, members of the committee, the chairman advised the Department of Justice that you are going to study these bills, the so-called Tideland bills, and asked for our comments. It seemed to us that we could be most helpful to this committee if, before you consider the proposed new legislation, we commented on the legal situation in which we now find ourselves; specifically, I shall discuss the legal aspects raised by the action of President Truman in issuing the Executive order in the closing days of the preceding administration.

Therefore, I would like to confine my remarks this morning to a statement of our opinion as to the effect of the Executive order. We believe that after you have settled that problem in your own minds, it will be much easier for you then to take up the proposed new legislation, because you will have at least a starting point.

The easiest method, perhaps the one that would save you the most time, would be for me to read into the record, if I may, a brief statement of our opinion on this particular legal point as we presented it to the Secretary of Defense under date of February 13. [Reading:]

The honorable the SECRETARY OF DEFENSE.

MY DEAR MR. SECRETARY: This will refer to your letter of February 5, 1953, requesting my opinion on the question whether, by virtue of the provisions of Executive Order No. 10426 of January 16, 1953, the Secretary of the Navy "has authority to administer the undersea area as a naval petroleum reserve." As you know, section 1 (a) of Executive Order No. 10426 specifically provides that the lands in question "are hereby set aside as a naval petroleum reserve and shall be administered by the Secretary of the Navy." I assume, therefore, that the question you are asking is the narrow question whether the lands involved may be administered by the Secretary of the Navy as a naval petroleum reserve under the provisions of existing legislation relating to Naval Petroleum Reserves Nos. 1, 2, 3, and 4 (34 U. S. C. 524), and it is to that limited question that I shall address myself.

I have carefully reviewed the file in the Department of Justice which relates to the promulgation of Executive Order No. 10426, and it is clear that the Department of Justice objected, on legal grounds, to the promulgation of an order which would have constituted these lands a naval petroleum reserve to be administered under the legislative provisions above referred to. It is also clear that the then Attorney General approved the order, as finally drafted and issued, on the understanding that it did not intend to, nor did it in fact or in law, create a naval petroleum reserve within the meaning of the statute.

I have given careful independent consideration to the question and I, too, am of the opinion that the order did not intend to, and did not, create a naval petroleum reserve to be administered under the provisions of 34 United States Code 524. In my opinion, the general effect of Executive Order No. 10426 is merely to transfer to the Secretary of the Navy the authority over these lands which had previously been conferred upon the Secretary of the Interior by Executive Order No. 9633 of September 28, 1945, entitled, "Reserving and Placing Certain Resources of the Continental Shelf Under the Control and Jurisdiction of the Secretary of the Interior" (10 F. R. 12305).

Sincerely,

HERBERT BROWNELL, JR.,
Attorney General.

You can see, Mr. Chairman, that I have limited myself in that opinion to the particular question of the effect of the January Executive order. We believe that, once this matter is cleared up, at least you will have a starting point on which to consider the bills which are pending before this committee.

I am also authorized to say that witnesses representing the administration will be prepared with their testimony, in case this committee decides to hear it, next week.

Mr. WALTER. May I ask a question at that point, Mr. Brownell? You take the position, then, that if there is no title in the Secretary of the Interior, certainly nothing passed to the Secretary of the Navy by this Executive order?

Attorney General BROWNELL. The only thing that passed to the Secretary of the Navy under this January Executive order in my opinion was the right to administer the area.

Mr. CELLER. How could you create a petroleum naval reserve? How could that be done?

Attorney General BROWNELL. By act of Congress.

Mr. CELLER. Only in that way?

Attorney General BROWNELL. Just as the original four naval petroleum reserves were set up.

Mr. CELLER. The gentleman from Pennsylvania spoke of title. Is your whole conclusion based on the question that the Government has no title to it?

Attorney General BROWNELL. We do not go into that in this opinion.

Mr. CELLER. Did not the Supreme Court hold on three different occasions that the States, at least, have no title to that land?

Attorney General BROWNELL. That is quite a paraphrase of the opinion, if you will permit me to say so.

Mr. CELLER. Let me put it this way: Did the Supreme Court say that the United States Government has paramount title?

Attorney General BROWNELL. "Paramount rights" was the phrase it used, I believe.

Mr. CELLER. What does that mean, if you know?

Attorney General BROWNELL. We would like to reserve the opinion of the administration on that general subject until the administration witnesses are ready next week, if that is satisfactory to the committee.

Mr. GRAHAM. Very well.

Mr. CELLER. Nonetheless, Mr. Brownell, you have seen fit to recommend the abrogation of the order of the President, and you are not prepared to go into all these details and answer these questions that we are willing to propound to you.

Mr. GRAHAM. May I interject at that point to state that it was explained when we began these hearings that this was simply a preliminary hearing; that we had invited the Attorney General to state the administration's position. We are not prepared to go into details at this time, nor do we intend to do so.

Mr. CELLER. I did not intend to go into details, Mr. Chairman.

Attorney General BROWNELL. I would like to clear up one point, Mr. Chairman. I find I did not make myself clear, judging from your question, because this does not abrogate the Executive order of January.

Mr. CELLER. Exactly what does it do?

Attorney General BROWNELL. It is an interpretation of the legal effect of it.

Mr. CELLER. Would that not require going into the ramifications, the question where rights are, where title is, and so forth?

Attorney General BROWNELL. Not in my opinion; no.

Mr. HILLINGS. Mr. Chairman, I should like to try to clarify the matter. Perhaps, Mr. Attorney General, you may not be prepared at this time to answer the question, and if not, that is perfectly all right. I do not mean to embarrass you in any way.

Would the Attorney General oppose any action of Congress to revoke the Executive order of President Truman?

Attorney General BROWNELL. That would be entirely outside of our field. That would be a matter for Congress to decide.

Mr. HILLINGS. Does the Attorney General plan to make any recommendations in the near future to the President to revoke that order?

Attorney General BROWNELL. That question has been raised with us, and I have not given it any consideration. I will say this, sir, that if after hearing the witnesses next week you find that legal questions do arise in which our office can be helpful to you, if you will address those inquiries to us, we shall be very happy to study the matter and report to the committee.

Mr. CELLER. Mr. Brownell, is that order that you have spoken of available to the public?

Attorney General BROWNELL. The original Executive order?

Mr. CELLER. The order that you speak of now where you suggest that administration be taken out of the Interior Department.

Mr. GRAHAM. It is not an order; it is only an opinion.

Attorney General BROWNELL. This is a legal opinion which I would be glad to file with the committee.

Mr. CELLER. Do you have a copy?

Attorney General BROWNELL. Yes; I will file it with the clerk, if I may.

(The document referred to follows:)

OFFICE OF THE ATTORNEY GENERAL,
Washington, D. C., February 16, 1953.

Hon. CHAUNCEY REED,
Chairman, House Judiciary Committee,
United States House of Representatives,
Washington, D. C.

MY DEAR CONGRESSMAN REED: For your information, I enclose a copy of my letter to the Secretary of Defense, dated February 13, 1953, with respect to the authority of the Secretary of the Navy to administer the undersea area as a naval petroleum reserve.

Sincerely yours,

HERBERT BROWNELL, JR.,
Attorney General.

FEBRUARY 13, 1953.

The honorable the SECRETARY OF DEFENSE.

MY DEAR MR. SECRETARY: This will refer to your letter of February 5, 1953, requesting my opinion on the question whether, by virtue of the provisions of Executive Order No. 10426 of January 16, 1953, the Secretary of the Navy "has authority to administer the undersea area as a naval petroleum reserve." As you know, section 1 (a) of Executive Order No. 10426 specifically provides that the lands in question "are hereby set aside as a naval petroleum reserve and shall be administered by the Secretary of the Navy." I assume, therefore, that

the question you are asking is the narrow question whether the lands involved may be administered by the Secretary of the Navy as a naval petroleum reserve under the provisions of existing legislation relating to Naval Petroleum Reserves Nos. 1, 2, 3, and 4 (34 U. S. C. 524), and it is to that limited question that I shall address myself.

I have carefully reviewed the file in the Department of Justice which relates to the promulgation of Executive Order No. 10426, and it is clear that the Department of Justice objected, on legal grounds, to the promulgation of an order which would have constituted these lands a naval petroleum reserve to be administered under the legislative provisions above referred to. It is also clear that the then Attorney General approved the order, as finally drafted and issued, on the understanding that it did not intend to, nor did it in fact or in law, create a naval petroleum reserve within the meaning of the statute.

I have given careful independent consideration to the question and I, too, am of the opinion that the order did not intend to, and did not, create a naval petroleum reserve to be administered under the provisions of 34 U. S. C. 524, in my opinion, the general effect of Executive Order No. 10426 is merely to transfer to the Secretary of the Navy the authority over these lands which had previously been conferred upon the Secretary of the Interior by Executive Order No. 9633 of September 28, 1945, entitled "Reserving and Placing Certain Resources of the Continental Shelf Under the Control and Jurisdiction of the Secretary of the Interior" (10 F. R. 12305).

Sincerely,

HERBERT BROWNELL, JR.,
Attorney General.

Mr. WALTER. If this Executive order transferring the administration of these lands from the Interior Department to the Navy Department does not have the force and effect of law, then the action of Congress is not necessary to set it aside. Another Executive order could set it aside, is that not right?

Attorney General BROWNELL. The basic effect of this opinion, sir, I would say, is to explain that the Executive order of January merely transferred the administrative power over these lands from one department to another, and did not set up a naval petroleum reserve within the meaning of the statute.

Mr. WILLIS. I understand you are not prepared this morning to discuss tidelands bills.

Attorney General BROWNELL. That is correct.

Mr. WILLIS. Or advocate a particular bill or any special legislation?

Attorney General BROWNELL. That is correct.

Mr. WILLIS. You cannot spell it out yet this morning; that is your position?

Attorney General BROWNELL. That is right.

Mr. WILLIS. One more question, Mr. Chairman.

Mr. GRAHAM. Yes.

Mr. WILLIS. Following up the thought of the gentleman from California, whose question was whether you would recommend that Congress take action with respect to revoking the Executive order, may I suggest this thought, and I do not know whether you are prepared to answer it yet: The order, as you know, covers the entire area, the so-called Continental Shelf. Now, if action should be taken by the Congress to revoke that order, we would be in a rather awkward position, would we not, if we would not substitute a law as broad as the order itself?

Attorney General BROWNELL. I would not be prepared to answer that question at this time.

Mr. CELLER. Mr. Brownell, I note the text of your opinion, among other things, says:

> I have given careful independent consideration to the question and I, too, am of the opinion that the order did not intend to, and did not create a naval petroleum reserve to be administered under the provisions of 34 U. S. C. 524.

I take it that later on we will have the benefit of your reasoning that prompted you to that conclusion?

Attorney General BROWNELL. If you desire to have it, yes.

Mr. WILSON. Mr. Chairman.

Mr. GRAHAM. Mr. Wilson.

Mr. WILSON. Mr. Attorney General, I can well understand that when Congress has been dealing with this matter for 15 years, and you have been in office only 30 days, that you might take a little time to give it some study. I can understand that, and I am sure everybody else does.

Attorney General BROWNELL. Thank you, sir.

Mr. WILSON. It is a very intricate and complex matter, and requires a little study and thought.

Mr. CELLER. Do you think, then, that being in office that short space of time, and I do not ask this for any invidious purpose, you can therefore cancel such an important order, or rather recommend its cancellation, after being in office such a short space of time?

Attorney General BROWNELL. I can assure you, sir, that this matter has had most careful consideration by the career lawyers in the Department. As I have stated in the opinion there, we agree with the opinion that they gave under the preceding administration. There is no hasty action involved here. This is the carefully considered and unanimous opinion of the attorneys in the Department of Justice, and myself, who have studied this question.

Mr. GRAHAM. Mr. Brownell, does your time permit you to answer any further questions?

Attorney General BROWNELL. I will be glad to answer any questions I can, sir.

Mr. CURTIS. Just in reference to that question, does your opinion cancel that Executive order?

Attorney General BROWNELL. No, it does not, sir. It interprets it. To my mind, it clears up a misapprehension which grew up. The misapprehension was that this had the legal effect of creating a naval petroleum reserve. We wanted to make that clear to the members of this committee and Congress before they started studying new legislation. Otherwise, we thought they might get off on the wrong foot. It does not cancel the Executive order. The Executive order has some legal effect. It transfers the administrative powers over these lands from one of the departments of the Government to another, from the Interior to the Navy.

Mr. CELLER. Has your ruling been followed by an Executive order?

Attorney General BROWNELL. No, sir.

Mr. CELLER. Does the control still rest in the Interior Department?

Attorney General BROWNELL. No.

Mr. CELLER. In your opinion it has the legal effect of transferring the administrative authority over these lands from the Interior Department to the Navy Department, and that stands. I take it, then,

that an opinion rendered by the Attorney General does not ipso facto, transfer that control.

Attorney General BROWNELL. No, it was the Executive order of President Truman that did that, sir. We are now giving our legal interpretation of that order.

Mr. CELLER. But you think no Executive order canceling out former President Truman's order is necessary?

Attorney General BROWNELL. I remember that you raised that question a few minutes ago, and I said that was a matter for Congress to decide, in my opinion.

Mr. GRAHAM. Mr. Rogers.

Mr. ROGERS. Whatever right the Secretary of the Interior may have had previous to the order issued recently by President Truman, was that right transferred to the Secretary of Defense?

Attorney General BROWNELL. That is a very good statement of our opinion. The Secretary of the Navy, I should say, not Secretary of Defense.

Mr. ROGERS. Yes. And whatever authority the Secretary of the Interior may have had prior to President Truman's recent order, that did not create any naval reserve in the Interior Department?

Attorney General BROWNELL. That is correct.

Mr. ROGERS. As a result, whatever right the Secretary of Interior may have have had was transferred to the Secretary of the Navy. That being true, what is the effect of your opinion here? You do not say that whatever right the Government may have is lost by this transfer, do you?

Attorney General BROWNELL. No.

Mr. ROGERS. That is, if the Government had any right under the order that had existed under the Secretary of the Interior, the fact that it may have been transferred over to the Secretary of the Navy does not put the Government in any different position than it was in before the transfer.

Attorney General BROWNELL. That is correct.

Mr. ROGERS. That is the legal effect of your opinion here.

Attorney General BROWNELL. That is a correct statement.

Mr. ROGERS. That will be all.

Mr. GRAHAM. Mr. Meader of Michigan.

Mr. MEADER. Mr. Brownell, I understand you to say that Mr. McGranery had the same view of the effect of this order as you hold.

Attorney General BROWNELL. Yes.

Mr. MEADER. Is that opinion in writing?

Attorney General BROWNELL. It is not signed by him, but it is in the records of the Department of Justice here in official departmental memoranda.

Mr. MEADER. Was that opinion published at the time of the order?

Attorney General BROWNELL. No, sir.

Mr. MEADER. Is there any explanation of why it was not when all this confusion arose?

Attorney General BROWNELL. No, sir.

Mr. MEADER. That is all.

Mr. GRAHAM. Are there any other members who desire to ask questions at this time?

If not, the Chair will repeat the statement originally made, and it is this: You all realize that Mr. Brownell has only been in office a few weeks. He is not acquainted with the members of this committee personally, or with our staff. We would like to take a recess at this time for the purpose of introducing him to the various members, and then we go into the executive session of our whole committee.

I want to ask Mr. Brownell just one question. Can you inform us whether the Secretary of Interior will be available today or not?

Attorney General BROWNELL. Not today.

Mr. GRAHAM. But someday next week?

Attorney General BROWNELL. Next week; yes.

Mr. GRAHAM. With that understanding, the committee will now recess, and we will ask the audience to please file out, and we will then go into executive session.

(Thereupon at 10:50 a. m., the hearings were recessed subject to call of the Chair.)

SUBMERGED LANDS LEGISLATION

THURSDAY, FEBRUARY 26, 1953

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE NO. 1 OF THE
COMMITTEE ON THE JUDICIARY,
Washington, D. C.

Subcommittee No. 1 of the Committee on the Judiciary met, pursuant to call, at 10 a. m., in room 346, Old House Office Building, Hon. Louis E. Graham (chairman of Subcommittee No. 1) presiding.

Present: Representatives Louis E. Graham, Ruth Thompson, Patrick J. Hillings, Emanuel Celler, and Francis E. Walter.

Also present: Chauncey W. Reed (chairman of the Committee on the Judiciary), Shepard J. Crumpacker, Jr., Lawrence Curtis, John M. Robsion, Joseph R. Bryson, J. Frank Wilson, Edwin E. Willis, James B. Frazier, Jr., and E. L. Forrester.

Mr. GRAHAM. The committee will come to order.

Secretary McKay, before beginning your testimony, the Chair desires to make a brief announcement. It is planned after the conclusion of Secretary McKay's testimony that we will hear from Admiral Nunn, and also from Captain Meade. The House will convene at 12 o'clock. We are not sure yet whether there will be any matters of importance that will require our presence. If not, we can continue and go on with the hearing.

There are a number of members who have submitted bills, some 33, I think, all told. Our original plan was this: First to hear the representatives of the administration and then the proponents of the bills and the opponents, and then later to throw the whole thing open for a day, or not over a day, if possible, for opposition and those in favor.

So with that understanding, we will go ahead. If the bells ring, and we are called, we will have to go over on the floor.

Will you proceed, Secretary McKay.

STATEMENT OF HON. DOUGLAS McKAY, SECRETARY OF THE INTERIOR

Secretary MCKAY. Mr. Chairman and gentlemen of the committee, Congress has before it a fundamental question of national policy involving the ownership of, and the production of minerals from the offshore submerged lands of the United States.

This has been a controversial problem for a number of years.

The Supreme Court of the United States, in litigation involving the States of California, Texas, and Louisiana, has held that the Federal Government has a paramount interest in all of the Continental Shelf. It now becomes desirable for the Congress to determine as a matter of

policy rather than as a matter of law whether the exercise of continued Federal control in this entire area is in the best national interest.

I am not here to interpret the decision of the Supreme Court. The Court did, however, recognize in its opinion the right of Congress to establish a national policy.

We know the vital role played by oil and gas in our national economy. We are aware of the essential place petroleum has in the implementation of the Military Establishment.

The amounts of oil which may be needed by our country at any given time in our history will of necessity depend to a large part upon the problems involving our national defense. It would seem to me, however, fundamental that the petroleum to be utilized for military or civilian purposes should be thought of in terms of productible oil at a given time, rather than petroleum stores established as a reserve by limited drilling or geophysical exploration.

In other words, with respect to the oil down under the soil that we have just explored and know is there, you cannot turn on a spigot and turn it off. You have to have productive wells to be of value at the moment.

In view of the broad national policy which this Congress must establish, and in the light of the concept of petroleum utilization which I have just expressed, I am pleased to give to the committee my own opinion of the problems before it.

I should like to be very clear in saying that I am not the advocate or the opponent of any specific bill which the committee may have under consideration.

I do believe that the national interest would be best served by restoring to the various States the coastal offshore lands to the limits of the line marked by the historical boundaries of each of the respective States.

I believe that the national defense will be best served by getting more active production from these submerged lands; and that it is equally important, therefore, that the Congress should in the same legislation establish a procedure by which development may go forward on all of the lands on the Continental Shelf outside of a line marking the historical boundaries of the several States, with all of the revenues to go to the Nation as a whole.

I believe that the interest of the Federal Government should be asserted and advanced by the Congress in all of the Continental Shelf which lies outside of the line marking the historical boundaries of the States.

Due consideration should be given to problems of international sovereignty involving the utilization of the territorial waters and the high seas which lie above the Continental Shelf.

I should like now to address myself to the administration for purposes of production and development of that portion of the Continental Shelf which lies outside the line marking the historical boundaries of the various States.

I believe that such administrative responsibility would rest most appropriately in the Department of the Interior. I am motivated in this conclusion by the traditional experiences of the Department, with particular respect to the Geological Survey, the Bureau of Land

Management, and like agencies which have long been concerned with the conservation and development of the public resources of our Nation.

The legislation should, in my judgment, empower the Department of the Interior, or such other department or agency as the President may designate, to take appropriate action to prevent waste, to provide for exploration and development, to supervise production, and to recover fair and just revenues for the benefit of the Nation as a whole.

Because of always changing conditions, some of which are unforeseeable, I would hope that the legislation would grant such discretion to the Department of the Interior in management policies as is consistent with the thinking of the Congress.

Various leases to companies and to individuals are currently existent on lands of the Continental Shelf both within and without the line marking the historical boundaries of the several States. In keeping with the American tradition of recognizing the ownership of properties acquired in good faith, I do believe that the legislation should empower the Federal Government to grant new leases in exchange for State-issued leases on properties outside the line marking the historical boundaries of the States.

The legislation should as clearly as possible define with exactness the line marking the historical boundaries of the various States, but some mechanism should be provided in order to settle disputes which may arise with respect to the location of individually leased properties.

It is my hope that this important problem of national policy may be resolved as expeditiously as possible.

Mr. GRAHAM. Have you completed your statement?

Secretary MCKAY. Yes, sir.

Mr. GRAHAM. Mr. Secretary, before we proceed further, for your information, the group about me are the members of Subcommittee No. 1 assigned to hear this matter. We have invited other members of the Committee of the Judiciary to be present. In addition, there are several other Members of Congress who are not members of the committee. Guided by the time you have, we would like to permit those of the committee to interrogate you, and then the other members of the committee to interrogate you; and, then, if you have time, the other Members of Congress may desire to interrogate you. Then you will know by whom you are being questioned.

Secretary MCKAY. Yes, sir. My time is yours. I will be glad to stay whatever time you wish.

Mr. GRAHAM. Mr. Hillings?

Mr. HILLINGS. I have no questions.

Mr. GRAHAM. Miss Thompson?

Miss THOMPSON. I have none.

Mr. GRAHAM. Mr. Celler, have you any questions?

Mr. CELLER. Yes; I have a few questions.

Mr. Secretary, I believe your statement, if I may be privileged to sum it up, says that the right of disposal lies in the Federal Government concerning the land submerged under the sea seaward from the limitation of the State boundaries; is that correct?

Secretary MCKAY. Yes, sir, of the historic boundaries. In most cases of these States, it is 3 miles to sea, except in Texas and Florida, where it is, of course, 3 leagues.

Mr. CELLER. So that, in a word, you feel that the Federal Government should have control of the Continental Shelf from the State boundaries seaward to the edge of that Continental Shelf?

Secretary MCKAY. Yes, sir.

Mr. CELLER. Are you aware that the wording of a number of the bills before us might have the effect of negating that contention?

Secretary MCKAY. I have not read all the bills before the Congress. In fact, I stated in my statement that I am not for or against any of the bills. It is just a principle that we are trying to set forth: that I believe the history over a hundred years has been that the boundaries of our States go out to this position seaward. Then the Supreme Court has ruled otherwise. So this Congress should establish that fact. Beyond that, we think the Continental Shelf belongs to the Federal Government.

Mr. CELLER. There has been testimony before the respective committees of the House and Senate having jurisdiction by one Bascom Giles, commissioner of the general land office of the State of Texas. He testified as follows:

> The Gulfward boundary lines of all counties of this State (meaning Texas) bordering on the coastline of the Gulf of Mexico are hereby fixed and declared to be the Continental Shelf of the Gulf of Mexico.

He drew attention to certain actions of the Legislature of the State of Texas. Now, if Mr. Giles claims for the State of Texas that the boundary line of Texas goes clear to the Continental Shelf, and he would maintain that, or the State of Texas would maintain that before your Department or before you, what would you have to say in the light of what you said a little while ago; that the Continental Shelf belongs to the United States?

Secretary MCKAY. If the Congress establishes that as a law, I would follow the law as Secretary of Interior. At the present time I would have to disagree with them in the light of the Supreme Court decision in entirety from the low-water mark. But if this Congress should pass a law which would establish it on this basis, then I certainly would be bound by that law.

Mr. CELLER. Could Congress pass any statute alienating or transferring the sovereignty of the United States or any part of the sovereignty of the United States?

Secretary MCKAY. I think Congress, representing the people, can pass any law they wish.

Mr. CELLER. But it is subject to the Constitution.

Secretary MCKAY. Subject to the Constitution. It is subject to revision by the Supreme Court.

Mr. CELLER. Has Congress the right to pass any statute that would alienate the sovereignty of the United States and give a portion of it to the States?

Secretary MCKAY. Sir, there seems to be a difference of opinion between you and me as to that. I do not say they are taking away. I say they would be restoring.

When my own State came into the Union in 1859, the description of the property was from the southern boundary of the State following the coastline to the south bank of the Columbia River. That was the State of Oregon. There has been no occasion for the Federal Government changing that at all. But then they strike oil in California, and

all, and Texas, and so some people want to come in and take it away from us. I am speaking now of the State. I should not do that, because I am an employee of the Federal Government. But the State's position is just that.

Mr. CELLER. When any State came in—the State from which you are, or Texas, or Louisiana, or any State—it came in on what has been termed "equal footing" with all the other States. That is the term used in the annexation resolutions, notably of Texas, Florida, and so forth. What is meant by equal footing?

Secretary MCKAY. I would not know, sir. I would pass that to a lawyer.

Mr. CELLER. It might be well, Mr. Chairman, if I read briefly on what the Supreme Court said on equal footing.

Mr. WILSON. Will the gentleman yield?

Mr. CELLER. I yield.

Mr. WILSON. I suggest you read from the resolution itself. It did not say anything about equal footing except in general terms. The specific language of the resolution left Texas in possession of its public domain.

Mr. CELLER. In the case of the State of Texas, the words "equal footing" were used.

Mr. WILSON. Not with regard to its public domain except in general terms; it certainly was not used. There was very definite language used with regard to its public domain.

Mr. CELLER. I must respectfully differ with the gentleman as to political sovereignty. However, that might be cleared up by somebody getting the resolution. Let us see what the Supreme Court said in that regard:

> The equal-footing clause, we hold, works the same way in converse situations presented in this case.

I am reading from the opinion in the Texas case.

> It negatives any implied special limitation of any of the paramount powers of the United States in favor of the State. Texas prior to admission was a Republic. We assume that as a Republic she had not full sovereignty over the marginal sea, but ownership of it, of the land underlying it, and of all the riches which it held. In other words, we assume that it then had the dominion and the imperium (dominium means ownership and imperium sovereignty) in and over this belt which the United States now claims. When Texas came into the Union, she ceased to be an independent nation. She then became a sister State on "equal footing" with all the other States. That act concededly entailed a relinquishment of some of her sovereignty. The United States then took her place as respects foreign commerce, waging of wars, the making of treaties, defense of the shores, and the like.

Mr. WILLIS. Will the gentleman yield at this point?

Mr. CELLER. Yes.

Mr. WILLIS. There the court was referring to or answering Texas' contention to the effect that she was not bound by the California decision, and that Texas had right to the oil because of the condition of admission, but that passage in the decision has absolutely nothing to do with the limits of Texas or Louisiana or anybody else.

Mr. WILSON. Will the gentleman yield further at this point?

Mr. GRAHAM. Pardon me; let him answer Mr. Willis first.

Mr. CELLER. I should like to have the privilege of just reading this part of the opinion so it at least can go into the record, but I will be

very glad to answer the questions if you will just bear with me a moment.

I am just addressing this so that I can get clarification from the distinguished Secretary. [Reading:]

> In external affairs, the United States became the sole and exclusive spokesman for the Nation. We hold that as an incident to the transfer of that sovereignty, any claim that Texas may have had to the marginal sea was relinquished to the United States. So although dominium and imperium are normally separate and separable, this is an instance where property interests, dominium, are so subordinate to the rights of sovereignty as to follow sovereignty.

So that here you have a decision of the Supreme Court which says that the property rights become subordinate to what they call paramount rights, sovereignty rights, the right to conduct foreign affairs, the right to conduct national defense, and that the Federal Government, therefore, should have those sovereign rights over this Continental Shelf. If there is a declaration by the State of Texas to the effect that Texas has these proprietary rights and otherwise to the end of the Continental Shelf, to that degree Texas is interfering with the sovereign rights of the United States as a nation. Since that is so, we would have no power in the Congress, as I see it, to say that Texas shall have all those rights to the Continental Shelf, because if we, the Congress, did that, we would be doing something which to my mind would be contrary to the Constitution.

Mr. WILSON. Will the gentleman yield just a moment?

Mr. CELLER. Yes.

Mr. WILSON. Do you want to answer Mr. Willis first?

Mr. WILLIS. My point is this, Mr. Chairman, and may I restate it. The gentleman from New York has read from a passage of the Supreme Court decision, spelling out its interpretation of equal footing. The Supreme Court finally held, it is true, that Texas, so far as being bound by the California decision, or the philosophy of it, having to do with paramount rights over submerged lands, was in no better position than anybody else. But the Supreme Court in that decision did not undertake to say that Texas was not correct in claiming that when she was admitted to the Union that her limits were 10 miles. That has nothing to do with the point that the gentleman originally struck at. He hedged and went around, but the question started out by saying, are you right or wrong in saying that Texas has 10 miles. It has nothing to do with what the gentleman has been reading.

Mr. CELLER. Let us confine ourselves to that, then. Do you think there is consistency in what the distinguished Secretary says, and the contention made by Texas that her boundaries go to the Continental Shelf?

Mr. WILLIS. That is the problem we have to wrestle with.

Mr. CELLER. In other words, there is inconsistency; is that correct?

Mr. WILLIS. Absolutely not.

Mr. CELLER. If the Secretary says that the rights of the Nation go to the Continental Shelf?

Mr. WILLIS. The Secretary did not say that. He said he disagreed with that statement.

Mr. CELLER. Maybe we can get clarification from the Secretary.

Mr. GRAHAM. May I suggest Mr. Wilson desired to speak before the Secretary answers?

Mr. WILSON. The gentleman read a part of the Supreme Court decision which was an assumption. They did not state in that opinion and did not even pretend to state what the agreement was. They just assumed that Texas came in on an equal footing. There is no such agreement between Texas and the Federal Government when it came in that they would come in on an equal footing with the rest of the States, because it is clear and unequivocal in the contract and treaty adopted by both Houses of Congress when Texas came in. The gentleman is talking about two different things. When you talk about the Continental Shelf and the legislative acts of the Legislature of Texas extending its boundary over unclaimed territory extending out 247 miles to the end of the Continental Shelf, that all happened after the California case started, when the Federal Government and Mr. Ickes started laying claim to this territory, not only of the 3 leagues, but to the Continental Shelf.

So Texas and other States, Louisiana, extended their boundaries by legislative act. The Federal Government had not acted in that seaward boundary. Whether that is right or wrong, this Congress has the right to legislate on the matter.

Mr. CELLER. That is the point. Have we the right to legislate on that which appertains to that land which the Secretary speaks of, namely, the Continental Shelf, and he also said it referred to international sovereignty?

Now, if it concerns international sovereignty or national sovereignty or external sovereignty, whatever you may call it, what right has the Congress to relinquish any part of that sovereignty to the States?

Mr. WILSON. Of course, we agree with the Secretary that the Federal Government is not quitclaiming to Texas 3 leagues and Florida to 3 leagues on the east coast and 3 miles of historical boundary to every other State of the Union. We claim that is our property. It was ours when we came into the Union and has been and continues to be ours.

Mr. GRAHAM. May I ask one question? The contention of the State of Texas is that this is a reassertion of your title and not asking for any restoration?

Mr. WILSON. It is a reaffirmation by the Congress of our former title recognized for over a century.

Mr. CELLER. How will you reconcile your contention that Texas has the right to extend its boundaries to the Continental Shelf with the assertion made by the Secretary that the Federal Government shall have the right to the Continental Shelf?

Mr. WILSON. Of course, Texas, as did other States, extended its boundary over unclaimed, theretofore unclaimed territory. Whether that is right or wrong, I say this Congress can countermand that and will by these bills. There is no question about that.

Mr. CELLER. The Secretary says that the Federal Government shall have the control over the Continental Shelf.

Mr. WILSON. The Secretary says in his opinion. That in his opinion, and I presume the position of the administration, that the States own these seaward boundaries out to 3 leagues for Texas and Florida on her west coast and 3 miles for the rest of the States, and he says that in his opinion, and I presume that is the position of the admin-

istration, outside of that territory, he believes the Federal Government should have dominion over it.

Mr. CELLER. How do you reconcile that statement with the contention of the State of Texas?

Mr. WILSON. Mr. Celler, this matter has been before the Congress some 15 years, has been rehashed and hashed and rehashed over and again, some six or seven thousand pages of testimony, and some 35 or 40 hearings by both Houses of Congress and it has never been decided.

Mr. CELLER. I would like to have it decided.

Mr. WILSON. We would, too.

Mr. CELLER. Here we have a situation of a representative of the administration that says that as to the control of the area between the so-called 3 leagues seaward from the marginal area to the outer edge of the Continental Shelf, the Federal Government shall have sovereign control, and rights, or whatever you may call it. Texas and other States say, "We have the right to the Continental Shelf." How are you going to reconcile those two contentions?

Mr. WILSON. Mr. Celler, if the Congress passes a comprehensive one-package bill dealing with the seaward boundaries of the States, and also dealing with, and I think properly they should at one time, dealing with the Continental Shelf, and whether it gives the State any interest in revenues, which we think it should, but if it does not, we think that will conclusively end this disagreement about the title to that property. It will be an assertion by the Congress for and on behalf of the Federal Government to that domain.

Mr. CELLER. I wonder whether that would be so. I do not think that would be the end of it by a long shot. The Supreme Court would have to make the final determination and in the light of these decisions of the Supreme Court appertaining to Louisiana, Texas, and California, I think the Supreme Court's contention is to the effect that there are sovereign rights to these lands, and that the Congress has no right whatsoever to alienate or relinquish any of that sovereignty to the States.

Mr. WILSON. The Supreme Court did not say that.

Mr. CELLER. I think that is the purport of the decisions and all we are doing is arming ourselves with a sea of troubles and the thing will not be over by a long shot. There will be litigation for years and years to come.

Mr. WILSON. I would like to ask the Secretary a few questions when you get through.

Mr. GRAHAM. Go ahead, Mr. Wilson.

Mr. WILSON. Now, Mr. Secretary, Mr. Celler and I have always disagreed about this thing, and always will, I guess. In your opinion from what you have said, you believe this whole matter should be determined by the Congress at one time, at the earliest possible date?

Secretary MCKAY. Yes, sir.

Mr. WILSON. In the interest of the Nation, so that these oil lands or minerals or whatever is out there, can be explored and be used.

Secretary MCKAY. Yes, sir. I further state in the interest of the defense effort, because the petroleum production is being retarded because of the uncertainty of this.

Mr. WILSON. I will ask you if this is not a fact.

Secretary MCKAY. May I say one more thing?

Mr. WILSON. Yes, sir.

Secretary McKay. The Federal Government does not drill the wells. Private enterprise drills the wells, and the only way they are going to have an acceleration of this is to settle the question, in my opinion.

Mr. Wilson. Is to settle the question of ownership of these lands.

Secretary McKay. Yes, sir.

Mr. Wilson. And do it definitely.

Now, is it your opinion that the Federal Government does not at this time have the power to make leases anywhere in that territory so that an independent contractor, or an oil driller can go out there and develop those lands? In other words, it will require a bill by Congress before this stalemate can be resolved?

Secretary McKay. I am not a lawyer. I would not attempt to pass on the legality. But from a practical standpoint, I know that the leasing of exploratory wells is being retarded.

Mr. Wilson. Now, also you know, and it is generally known, that the Federal Government does not have conservation laws to preserve the natural resources.

Secretary McKay. That is right.

Mr. Wilson. The several States, Louisiana, and Texas, do have very stringent conservation laws.

Secretary McKay. Yes, sir.

Mr. Wilson. To preserve the natural resources and for the best use of the Nation as a whole, and to preserve that for future use.

Now, before this matter could be finally settled, in your opinion would it be necessary for either one of two things to happen, that is, that the Congress pass some comprehensive conservation law such as are enforced in the various States of the Union to deal with the subject, in order to prevent waste, and in order, of course, to protect the interests, if this bill is passed or one like it, of the same people or others who are drilling within the State boundaries, so that a contractor or a lessee operating under a Federal Government lease could not go right outside the State boundary and drain the entire oil out from under the State lease right inside the boundary. Do you not think that would be necessary?

Secretary McKay. Yes, I believe I touched upon it in the statement. That is the reason I believe it should be assigned to the Interior or such other department as the President may direct. I think there should be some leeway. The principle of conservation should be followed, and the Congress should set up some regulations so that an agency of the Government could enforce that in the interest of conservation.

Mr. Wilson. Of course, another question immediately arises about the police power. For instance, all kinds of police powers that have been exercised by the State over both these territories, for instance, at one time out in the Gulf of Mexico, some lessee in conducting geophysical exploration tried to find out whether there was any oil in the salt dome formations before the State had started regulating those shots of nitroglycerine, or other explosives, and killed millions of fish out in the water that drifted on the beaches. That now is prevented by State conservation laws and State police regulation. Do you not think that is necessary? Do you not think in the interest of the general public that some such regulations should be necessary?

Secretary McKay. Yes, sir. I am not too familiar with that situation, but as a general proposition, I agree with the plan that there should be police power over all of our natural resources in the interest of the general public.

Mr. Wilson. Now, Mr. Secretary, some States—I believe all of them that have oil or are producing oil off their coastlines—now have several ad valorem taxes which they regulate and prescribe fairly in the State, and in their public domain extending out into the ocean. Do you have any opinion about whether or not the Federal Government, in case any of these bills are passed and this whole subject matter is dealt with, regardless of whether the States receive an interest in any part of the revenue derived from the Continental Shelf, should permit the various States on an equal and fair taxation basis—and that is what it would have to be on, commensurate with the other tax laws in the contiguous States—to levy some kind of a severance tax?

Secretary McKay. I could not answer that one. I think that is over my head. I would question it, but I would not want to answer it without discussing it with legal counsel.

Mr. Graham. Remember, Mr. Wilson, that the Secretary said he is not a lawyer.

Mr. Wilson. I know, and if you do not desire to answer, it is perfectly all right.

Secretary McKay. Another thing is that I have been Secretary only 30 days, so there are a lot of things I do not know. If I understand your question, I question whether the State would have authority to go out on Federal land and impose a tax. They would perhaps have authority to tax the equipment that was built up there in the ocean, because they might have to tax them for social security and things like that.

Mr. Wilson. This distinction should be drawn. The State, of course, could not tax Government property. They cannot tax an Army camp or an aviation plant such as we have between Dallas and Fort Worth with some two or three hundred million dollars invested that the Navy is operating. It is in a school district where 30 or 40 thousand people have moved in, and we have to take care of the kids in schools, and yet we cannot tax the property.

But it is a different situation when a lessee, a private contractor leases land from the State, or the Federal Government when he pays a premium, on a regular lease, and moves out there and severs that oil from the ground. The States, many of them—I believe Texas and Louisiana both—have severance taxes on any contractor, it does not make any difference whether he is out on water, in his backyard or against a school building. They say that every barrel of oil taken out of the ground, or gas or sulphur or salt or anything taken out of the ground, the state assesses some small severance tax. That is against the contractor, not the Federal Government. It will not cost the Federal Government a penny. It is against the contractor. Do you believe in that?

Secretary McKay. It occurs outside of the boundary of the State, does it not?

Mr. Wilson. I was speaking particularly with regard to outside the State boundaries of 10½ miles of Texas and Florida, and 3 miles for the rest of the States. Historical boundaries are what we are talking about. I say outside the historical boundaries.

Secretary McKAY. I would question it. However, I would rather pass that question to the Solicitor of the Department.

Mr. WILSON. That is all right. I do not intend to ask you any trick questions. I am trying to find out what your opinion is on the things you do want to testify upon. That is all.

Mr. GRAHAM. Mr. Walter.

Mr. WALTER. May I ask a question at that point? Are you familiar with any of the particular bills that were introduced?

Secretary McKAY. No. I am neither for nor against any bills. That is for the Congress to decide.

Mr. WILSON. Now, Mr. Secretary, and I will make this as short as possible, I certainly do not want to prolong it, of course, there are some 35 bills introduced in the House and Senate, or maybe just in the House. Many of them differ, many of them do not. They have different wording. Some of them deal only with the historical State boundaries; others deal with both subjects. I think it is without doubt when we know that this Government or this country imports through private industry 1,200,000 million barrels of oil per day, and the potential increase without injury to the oil structure under the ground has been stated—I am sure fairly conservatively—to be a million barrel increase per day in this country, the continental United States, it would appear that it is very necessary that this bill be passed and that these lessees be permitted to go ahead and develop this oil territory and drill it out, and get this oil above the ground, is it not?

Secretary McKAY. Yes, sir.

Mr. GRAHAM. May I correct the record? There are 40 bills, instead of 30.

Mr. WILSON. I am glad to say that I appreciate the fact that the position of the administration is for handling this whole subject at one time. If the Congress in its wisdom sees fit because of other precedents, such as public domain, and this would become part of the public domain, if Congress took in the Continental Shelf outside the historical boundaries.

Secretary McKAY. I would think so.

Mr. WILSON. It would become a part of the public domain of the United States. If from precedent created by the Federal Government from the Federal Leasing Act and Federal laws with regard to the development of the public domain in the various States of the Union, particularly the Western States—and I believe yours is one of them—of giving 37½ percent of the revenue acquired from any oil removed or severed from the ground, and Congress passed such a bill, of course you would enforce that bill.

Secretary McKAY. Yes, sir.

Mr. WILSON. I believe that is all.

Mr. GRAHAM. Mr. Reed, have you any questions?

The CHAIRMAN. No.

Mr. GRAHAM. Mr. Curtis, of Massachusetts, do you wish to be heard in this matter?

Mr. CURTIS. No, thank you, Mr. Chairman.

Mr. GRAHAM. Mr. Robsion?

Mr. ROBSION. I have no questions.

Mr. GRAHAM. Mr. Crumpacker, of Indiana.

Mr. CRUMPACKER. I would like to ask, Mr. Secretary, if you would think it might be possible to dispose at the same time of the somewhat related question—at least it seems related in my mind—of the extension that has been made of this doctrine of the paramount right of the Federal Government to situations affecting water rights, for example, which has come up in the Santa Margarita watershed in California, and which might possibly arise in connection with the Great Lakes, and rivers in other areas of the United States.

Secretary McKAY. You asked me that question?

Mr. CRUMPACKER. Yes.

Secretary McKAY. No, I do not think it should be handled as one situation. I am very anxious to see the Congress set a more definite policy for water over the entire United States, and for power.

The second half of your question, as to inland streams and lakes, that is well established. There are legal decisions on the Great Lakes, and I know in individual States we own the land under the water. The Federal Government controls the navigation, the building of bridges across the streams, but we allow gravel to be dredged out of the river and we collect revenue that goes into the irreducible school fund in my own State. So that is a well-established fact. I do not think there is any question about it.

You mentioned the case in California. I think the Congress should go into more detail to establish a water policy because of the shortage of water every place in the United States today, because of the increased domestic use and the increased industrial use. Even in my own State where it rains all the time outsiders say, we have a water shortage in the months of July and August. So I agree with the principle, but I think it is two separate subjects.

Mr. CRUMPACKER. Of course, I raise that question in regard to inland waters because up until 15 years or so ago the question as to the ownership of the States of the land underlying these coastal waters had never been raised.

Secretary McKAY. That is right.

Mr. CRUMPACKER. It had always been assumed to belong to the States. We are still assuming that the inland waterways belong to the States. But in the legal principle involved, I see no reason why the courts should not decide differently some fine day.

Secretary McKAY. I do not think so. I cannot cite you a case, but I think it has been well established because it has been done so long, and we do it with the approval of the Federal Government. I understand there are court decisions on the Great Lakes, that establish that as the State property, but I cannot give you the citation.

Mr. CRUMPACKER. But in the Santa Margarita case that I referred to, it is the same legal principle basically that has been asserted of the paramount right of the Federal Government.

Secretary McKAY. Is not that surface water, sir?

Mr. CRUMPACKER. Yes.

Secretary McKAY. I was speaking of the land underneath the water. Santa Marguerita is a case of a Federal Government post claiming prior right to the surface water. Is that not the case?

Mr. CRUMPACKER. Yes.

Mr. GRAHAM. Mr. Crumpacker, would you yield at that point? Mr. Yorty is very familiar with that, and we would like to hear from him on that.

Mr. YORTY. Thank you, Mr. Chairman. I might say I appreciate the problem of Secretary McKay in 30 days trying to discuss these complicated questions to which some of us cannot give answers after several years of study.

The Santa Marguerita case is a very complicated case. The Federal Government asserted in its complaint that it had paramount rights to more water than was available in the stream. We felt, as Mr. Crumpacker does, that that was an extension of this tidelands or submerged lands theory to the upland waters. Because of our feeling in that matter we forced some concessions along that line from the Federal Government.

Now, I understand that the whole matter, at the request of the Federal Government, will go off the calendar and an attempt is going to be made to settle it amicably. However, our Committee on Interior and Insular Affairs has many times reiterated its firm stand in favor of State law regulating water rights within the States, and we are working on legislation now along that line.

Mr. GRAHAM. Mr. Bryson, of South Carolina, have you any questions?

Mr. BRYSON. No.

Mr. GRAHAM. Mr. Frazier, of Tennessee.

Mr. FRAZIER. No questions.

Mr. GRAHAM. Mr. Celler, we will turn back to you.

Mr. CELLER. I am sorry, Mr. Secretary, we have to pummel you with questions.

Secretary MCKAY. That is all right. That is what I get paid for. Do not worry about my feelings. I am used to that.

Mr. CELLER. Bills have been offered, I think, to the effect that they would give the States minerals under Federal lands within the various States, aside from the States that border on the sea, that is, interior States. The theory is that if it is logical to turn over the minerals under the marginal sea, then it is logical to turn over to the States the wealth under Federal land in various States. As I say, a bill or bills have been offered to that effect. What is your opinion on those bills?

Secretary MCKAY. I will express my own opinion. I do not know whether it is the administration's opinion or not. But it is my opinion. I do not think the States have any right to that, because ordinarily when you acquire land, unless it is otherwise stated in the title, you are entitled to the land and subsoil and the air above. Most of the States now, when they are selling land, reserve the mineral rights. If it is Federal land, I do not know why the States should come along and demand the minerals underneath.

Mr. CELLER. Just because the Federal Government may own or have title or rights to land in a State, that does not give the State a right to have the wealth underneath that land; is that correct?

Secretary MCKAY. I would think that is correct. There are different ways the Federal Government acquired this land, but I would think with the original title nobody reserved any mineral rights. At the present time, though, I know in the State of Oregon when we dispose of any land now, we reserve the mineral rights under the soil.

Mr. CELLER. The second question, Mr. Secretary: If you do not own a particular piece of property, you cannot transfer it, can you?

Secretary MCKAY. No.

Mr. CELLER. If you do not own it, you cannot alienate it; is that correct?

Secretary MCKAY. That is right.

Mr. CELLER. Now, the Supreme Court in one of its decisions held that the Federal Government of the United States does not have ownership to any of these lands from the low-water mark seaward, even to the Continental Shelf.

I will read you what Mr. Justice Frankfurter said in one of the decisions. It is very brief:

> It is relevant, however, to note that in rejecting California's claim of ownership of the offshore, the Court carefully abstained from recognizing such claim of ownership by the United States. This was emphasized when the Court struck out the proprietary claim of the United States from the terms of the decree proposed by the United States in the California case.

Therefore, the Court held that title was not in the United States. These forty-odd bills that we have seek to quitclaim the rights or title and give it to the States. How can the United States by congressional action give away something which it has not got?

Secretary MCKAY. Sir, this is my opinion. The Supreme Court says we have not got it, but we by squatters' rights at least do want it.

Mr. CELLER. The Supreme Court will have the final say even if we pass the act.

Secretary MCKAY. Yes.

Mr. CELLER. And some private citizen will raise the question that the United States Government tried to give away something which the Court says it has not got.

Mr. WILSON. Will the gentleman yield at that point, and I do not want to harass the gentleman at all by asking him to yield.

Mr. CELLER. No; it is perfectly all right.

Mr. WILSON. You quoted Justice Frankfurter. I call your attention to what Frankfurter said in the Texas case. Texas owned this land. It is a mystery to me how they got rid of it. They did not sign a deed, or words substantially to that effect.

Mr. CELLER. I am reading from the motion for leave to file complaint, and then he calls attention in his opinion to the fact that the Court, not he, struck from the decree the original proposal which was to the effect that the United States had ownership in those lands, and this is how the decree finally emerged from the Court:

> The United States of America is now and has been at all times pertinent thereto possessed of paramount rights of proprietorship in and full dominion and power over the land, minerals, and other things underlying the Pacific Ocean.

It never said that the United States has ownership.

These bills propose to transfer title to those lands to the States. These bills propose to give away something which the United States under the decree of the Supreme Court said it has not got.

Mr. GRAHAM. Before you answer, the gentleman from California would like to be heard on that point.

Mr. HILLINGS. I wish to comment on what I think is obvious, that the quitclaim merely says I relinquish any claim I might have. It is a means of removing clouds from titles, among other things.

Mr. WILSON. That is the purpose of the quitclaim.

Mr. HILLINGS. You do not require ownership to execute a quitclaim deed.

Mr. CELLER. Be careful; those words will be used later on. I am going to confront you with those words.

Mr. GRAHAM. So far we have neglected to give Mr. Forrester of Georgia an opportunity. Do you care to be heard, Mr. Forrester?

Mr. FORRESTER. Not now. Thank you, sir.

Mr. WILSON. Mr. Chairman, may I inquire?

Mr. GRAHAM. Certainly.

Mr. WILSON. I neglected to ask you. In your opinion should the interest of all the lessees who leased land in good faith from the various States be absolutely protected in any bill that was written?

Secretary MCKAY. Yes. I think all of the private-property lease equities must be protected. As to how it is done, it is up to Congress.

Mr. WILSON. It would be only fair and right, and I do not think anybody has ever taken a position in all these thousands of pages of testimony that they should not be treated fairly by recognition of their leases.

Secretary MCKAY. Surely; just common decency would direct that.

Mr. WILSON. That is right. The Continental Shelf constitutes about nine times the area of this small historical boundary of the States.

Secretary MCKAY. I do not know exactly, a lot more, I suppose.

Mr. WILSON. It is about 1 to 9. Under any of these bills giving the Federal Government control and management, and operation as an owner, being a part of the public domain, they would succeed to the rights as an owner and they would succeed to the eight-ninths of this whole territory. As a matter of fact, the facts show that the main oil is outside the State boundaries. Is that true?

Secretary MCKAY. Yes, sir.

Mr. CELLER. Does that hold good in Florida as well as Louisiana that most of the oil is found beyond the State boundaries?

Mr. WILSON. I do not think there is any oil in Florida. In California it is true. They have very little Continental Shelf.

Mr. CELLER. But most of the oil in the State of Texas is beyond the 10-mile limit.

Mr. WILSON. That is right, and in Louisiana it is very much the other way.

Mr. CELLER. Therefore, I take it that you are not in accord with the contention made by the Secretary concerning the Continental Shelf?

Mr. WILSON. Well, we disagree just slightly. We think we ought to participate as the other States are in the revenue gained by the Federal Government to the same extent, no more, no less. Now, right along that line, Mr. Secretary, we were talking about conservation-laws police power and various other supervisory powers that the States have exercised over this territory. It might seem simple to come here and pass a conservation law, but I believe Congress has been fooling with this legislation some 15 years. All that, while these lessees have not known who should or who did exercise proprietary interest, and the 4 to 3 decision by the Supreme Court setting out a paramount right of the Federal Government—Mr. Celler is right, they did not say ownership—but a paramount right, of course, clouded the issue entirely and did not settle anything, in my opinion. But the bill that was passed by the House last year, known as the Walter bill, provided in title II that the historical boundaries would be quit-claimed, or any claim the Federal Government had would be quit-

claimed to the States. With respect to the Continental Shelf, of course, any interest the States might have in that would be quitclaimed to the Federal Government. And the Congress would recognize and assert the power and right of the Federal Government to exercise dominion over that territory, recognizing State leases and not making any claim on the States for lease money which they have gotten, which is not too much in money; starting off from the California decision, or from that date.

That law further provided that the police powers, the police power and all State laws, including the right of severance taxation—of course, as we state, it must be equal to that within the State, they could not go out in the water and tax 50 cents a barrel on you, and charge our State folks 5 cents, they could not do that—but that provided that until the Federal Government passed conservation laws, and passed other regulatory legislation, the State laws in the territory contiguous to their boundaries would apply. Do you seen anything wrong with that?

Secretary McKAY. No, I do not.

Mr. WILSON. In other words, until the Federal Government exercises its rights and prerogative of passing conservation laws and police-power laws, and laws relating to workmen's compensation, it would be up to the States. I do not know whether you have seen any pictures of this, but some $275 million have been spent by oil companies looking for oil, and they go out and build steel platforms out there at great expense and drill several wells from those platforms, and they have up to 50 people living there who would be subject to no law or workmen's compensation. They would be just outside the jurisdiction of anybody. So certainly the State laws, and that is provided by the Walter bill passed twice by the House, and passed last year, provides that the laws of the States on that subject shall apply until the Federal Government preempts that field. That would sound reasonable to you?

Secretary McKAY. Yes, sir.

Mr. WILSON. Would you have any objection, and is it your view that in the handling of this territory outside of the State boundaries that the Federal Government should cooperate in whatever way possible, so far as conservation and so far as all other regulations are concerned, with the States contiguous to that water?

Secretary McKAY. Yes, sir.

Mr. WILSON. I believe that is all.

Mr. GRAHAM. Miss Thompson desires to question.

Miss THOMPSON. Mr. Secretary, I would like to ask this one question. If the title to the tidelands reverts back to the individual States, what would happen to our present program of aid to education, if anything?

Secretary McKAY. I do not believe it would be affected. Under the present program, the money will be allocated to the various States for education. Is that the point?

Miss THOMPSON. The contention is that if the tidelands reverted back to the individual States, we would lose our aid to education.

Secretary McKAY. We have not got it now. If you did get such a thing, it would be very small, because divided up among the 48 States, think you would be surprised how small it would be.

Miss THOMPSON. Just one more question, Mr. Chairman. Your statement contains the following, Mr. Secretary:

> I believe that the interests of the Federal Government should be asserted and advanced by Congress in all the Continental Shelf which lies outside of the line marking the historical boundaries of the several States with all of the revenue to go to the Nation as a whole.

That is your statement, is that correct?

Secretary MCKAY. Yes.

Miss THOMPSON. I take it when you speak of historical boundaries, you mean 10 miles or 10½ miles?

Secretary MCKAY. I mean whatever the State had when it came into the Nation. Most of the States are 3 miles. Texas is 3 leagues, I believe. Florida is 3 leagues.

Mr. WILSON. On the west coast it is 3 leagues. The east coast is 3 miles.

Secretary MCKAY. In Louisiana, nobody knows.

Mr. CELLER. As I understand the claim is that it would add to the Continental Shelf, and that claim might be 67 miles or more of Continental Shelf.

Secretary MCKAY. Yes. It might be a great many miles.

Mr. CELLER. In Louisiana it is something like 27 marine miles. So that those claims would be inconsistent with your statement concerning historical boundaries, is that correct?

Secretary MCKAY. I do not follow you.

Mr. CELLER. If California claims 50 miles from the low water mark——

Secretary MCKAY. Fifty miles? California would not claim 50.

Mr. CELLER. I think, in effect, the Legislature of California in 1949 made such a declaration.

Secretary MCKAY. I thought the shelf was shorter than that with respect to California.

Mr. CELLER. I will put that in the record.

Mr. HILLINGS. I do not think that is a correct interpretation of the California position.

Mr. CELLER. The point I am trying to make is that if these States make claims beyond the historical boundaries, then there are inconsistencies with those claims of those States and your statement about historical boundaries, is that not correct?

Secretary MCKAY. No. The historical boundaries are the same. What California or Texas may say are merely claims. I see a differential between historical boundaries and claims of a State. After their title was questioned, these States claimed those.

Mr. CELLER. Do you recognize those claims?

Secretary MCKAY. That is not up to me. That is up to the Congress.

Mr. CELLER. I would like to get your opinion.

Secretary MCKAY. I have no opinion. That is up to the Congress in individual cases.

Mr. CELLER. When you use the words "historical boundaries," that is in error there?

Secretary MCKAY. No.

Mr. CELLER. Because I think you should say——

Secretary MCKAY. I beg your pardon, sir.

Mr. CELLER. Would it not be more consistent with what you just said that instead of using the term "historical boundaries," you would use the boundaries as claimed by the States?

Secretary McKAY. No, I cannot agree with that. The historical boundaries have been established for 100 years or more, from the time the State came into the Nation.

Mr. CELLER. Then are you limiting the claim of the States to historic boundaries that have existed over the years?

Secretary McKAY. I have not made any statement on the claims of the States.

Mr. CELLER. What do you mean by historic boundaries? That is what I am trying to get at.

Secretary McKAY. The historic boundaries have been recognized by the States, in the case of my State for 94 years, when we came into the Union with the description that we came in with. With Texas, they came in by a treaty as a Republic. Those are historic boundaries. I do not think there is any question about that.

Mr. CELLER. These other States, like Louisiana and California, they have made claims comparatively recently. In the case of California in the last decade, say. Those claims are beyond the historic boundaries. What are you going to do under those circumstances?

Secretary McKAY. That is up to Congress to decide.

Mr. CELLER. I am trying to get advice from you as to what you should do.

Secretary McKAY. I do not think you need any advice from me, sir.

Mr. GRAHAM. May I make one suggestion? There is no desire on our part to limit these hearings, but we do have quite a number of witnesses to be heard.

Mr. WILLIS. I have some questions.

Mr. GRAHAM. All right.

Mr. WILLIS. Mr. Secretary, in your prepared statement, and in your testimony, you have repeatedly referred to restoration to the several States of the titles to their historic boundaries. I take it that there is no equivocation about your views on that?

Secretary McKAY. Those are my words; restoration. Some people differ with them. Maybe it should be asserted.

Mr. WILLIS. Mr. Celler referred to a quitclaim. That is technical. But what you and I want is to have the Government quitclaiming these lands; is that right?

Secretary McKAY. That is right, and restore them to the States.

Mr. WILLIS. And restore to us what has historically belonged to us.

Secretary McKAY. That is right.

Mr. WILLIS. I have before me here, and I am not going to ask you to talk about their provisions, the so-called Holland bill, thhe Walter bill, and the Daniel bill. That is Senator Daniel, of Texas.

Secretary McKAY. Yes, sir.

Mr. WILLIS. I want to call to your attention that titles I and II of all these three bills are identical sentence for sentence and period for period and comma for comma, and then in the Daniel bill, and in the Walter bill, there is a third title dealing with the Continental Shelf, or that portion of the area of submerged lands extending seaward of historic boundaries. You are familiar with the fact, are you not, that the general concept of the first 2 titles of the 3 titles is

long the lines of your thought, namely, restoration to hhe respective States of their title to their historic limits?

Secretary McKAY. Yes, sir.

Mr. WILLIS. Do you know of a better criteria than a historic approach?

Secretary McKAY. No, sir.

Mr. WILLIS. Let us apply that criteria to Texas, for instance, and I think you and I are in thorough agreement. Texas was a republic. The Republic of Texas took certain action. Then there was a treaty between the Republic of Texas and the United States preliminary to admission. There might have been maps exhibited or maps in existence at that time. Then Congress passed an act admitting Texas into the Union, and then Texas adopted a constitution delimiting its historic boundaries. Those are the historic documents that set forth Texas' title; is that correct?

Secretary McKAY. That is right. If my memory is correct, the United States would not take the land. They gave it back to Texas.

Mr. WILLIS. That is right. There is nothing unusual about that. Let me illustrate the point in this way. I know you are not a lawyer, but I think you can follow this. If a farmer should consult a lawyer to find out what the limits of his farm are, that lawyer would have to examine the papers. He would have to go first to the patent. He would have to consult all the deeds in the chain of title. There might be maps attached to those deeds which help to interpret them. After his study he would give an opinion on the limits, based upon the history of that title, and every link in the chain.

Secretary McKAY. Yes, sir.

Mr. WILLIS. That lawyer would not be creating a title, would he?

Secretary McKAY. No, sir.

Mr. WILLIS. He would be interpreting what that title is?

Secretary McKAY. Yes, sir.

Mr. WILLIS. I think your point is that presently the historic limits of the United States generally are coextensive with the historic limits of the respective States, is that not correct?

Secretary McKAY. Yes, sir.

Mr. WILLIS. For instance, you referred awhile ago to your own State. For a delimitation of the limits of your State, you go to the act of Congress admitting your State, and the action taken by the people in adopting your first constitution. That is right, is it not?

Secretary McKAY. Yes, sir.

Mr. WILLIS. With respect to Louisiana, I call this to your attention. In 1803, in Jackson Square in New Orleans, there were two simultaneous transfers. Spain retroceded or reconveyed the Territory of Louisiana to France, and then, in a matter of minutes, France conveyed that Territory to the United States.

That transfer to the United States of the Louisiana Territory was based upon a treaty concluded by Jefferson with Napoleon on April 30, 1803. That treaty was ratified by the Senate of the United States on October 21, 1803. There was a provision in that treaty that Louisiana should be admitted as promptly as possible into the United States as a member of the Union. Then later on, on April 8, 1812, Louisiana was admitted into the Union by an act of Congress.

That act of Congress was the basis of our first constitution adopted in January 1812. Those documents and the maps then existing, show-

ing the limits of Louisiana, constitute our title, our historic limits, and those are the documents which constitute the historic limits of Louisiana, just as in the case of Texas and in your case, is that not correct?

Secretary McKAY. Yes, sir.

Mr. WILLIS. There has been some talk here this morning about 3 miles. The principle, though, that I think you and I agree on is that we have to go to the documents to find out what our historic boundaries are?

Secretary McKAY. Yes, sir.

Mr. WILLIS. I might call your attention to the fact incidentally that nowhere in those documents is 3 miles mentioned. But that is not the point. The point is that the act of Congress admitting Louisiana, the treaty between France and the United States, and existing maps and so on, are the links in our chain of title delimiting the historic limits of Louisiana, which, of course, become the historic limits of the United States coextensively. Is that not correct?

Secretary McKAY. Yes, sir.

Mr. WILLIS. Now, can you conceive how at this late date Congress, say in the case of Texas, if those documents say her limit is 10 miles, can undertake to say that it should be 2 or 3 miles or 4 miles or more or less than that? What we have to do is restore our historic title, whatever it may be; is that not correct?

Secretary McKAY. Yes, sir.

Mr. CELLER. Mr. Secretary, getting back to the historic boundary, in most of the bills that have been offered—notably by our distinguished chairman, Mr. Graham, of Pennsylvania, in section (4) headed "Seaward Boundaries"—we have the following phraseology:

> Any claim heretofore or hereafter, any claim in the future, asserted either by constitutional provision, statute, or otherwise, indicating the intent of a State so to extend its boundaries, is hereby approved and confirmed without prejudice to its claim, if any it has, that its boundaries extend beyond that line.

You notice the words "any claim heretofore or hereafter" by, say, the legislature of the State, or by amendment of its constitution, or otherwise, is approved in advance by Congress. Would it not be possible, therefore, for the State to extend its boundaries in any way it sees fit and we in advance give approval to what the State may do in the future? Is not that inconsistent with your statement then?

Secretary McKAY. That bill is not my statement in the first place.

Mr. GRAHAM. That is Graham's statement.

Secretary McKAY. That is his statement.

Mr. CELLER. That is in almost all the bills before.

Secretary McKAY. I did not come here to advise Congress, I do not believe.

Mr. GRAHAM. May I interrupt just a moment?

Mr. CELLER. I would like to get the advice again. We are trying to get help from the administration. What help can you give us on that?

Secretary McKAY. Shall I answer it?

Mr. GRAHAM. Will you hold for just one moment? It is now 25 minutes after 11, and there are two officers here from the Navy. I want to consult their convenience, and also the members of the subcommittee whether they can sit.

(Discussion off the record.)

Mr. GRAHAM. With this condition: that you will make it brief and allow the Secretary to come up for air, you may continue, Mr. Willis.

Mr. WILLIS. I will be brief, Mr. Chairman.

Mr. CELLER. May I get the testimony and the advice and counsel and the help from the representative of the administration as to what we shall do with reference to this particular phrase?

Secretary MCKAY. I believe that the written statement covers that, because it says "historic." You and I seem to differ on "historic" and "claims." The claims have only been made since the Federal Government claimed title for some 15 years. I do not think that is historic. That is just about current news.

Mr. CELLER. "Historic" refers to the past, does it not?

Secretary MCKAY. Yes, sir.

Mr. CELLER. But this language I read to you refers to the future.

Secretary MCKAY. I am neither supporting nor opposing any bill before the Congress. I will stand on my statement.

Mr. GRAHAM. You are not responsible for what I put in that bill.

Secretary MCKAY. Furthermore, I think that bill said "claim heretofore."

Mr. CELLER. It says both, "heretofore" and "hereafter."

Secretary MCKAY. I am not supporting or condemning. I will stand on my statement.

Mr. CELLER. Is that consistent with your statement about historic boundaries?

Secretary MCKAY. Yes, sir. My statement is on historic boundaries. His statement in the bill is on claims.

Mr. WILSON. To try to clarify that point with the Secretary and Mr. Celler, Mr. Gossett had quite an argument when this bill was passed out of the committee 2 years ago or a year and a half.

Mr. CELLER. That is right.

Mr. WILSON. That language refers back to the 3-mile limit of the States, and the 10½-mile limit of Texas and Florida; the purpose of the language is that if there is any State in the Union which does not and cannot prove conclusively that it had claimed historically its 3-mile limit, this will let them in the future bring their limit out to 3 miles. It is limited to 3 miles. It does not mean they can go out to the Continental Shelf.

Mr. CELLER. I wish the gentleman in the future would say exactly that and strike the language out.

Mr. WILSON. You cannot pick out one sentence in the bill and say it is inclusive.

Mr. CELLER. My State of New York under this provision could go out 60, 70, 80, or 100 miles and say it has the right to all minerals under the sea 100 miles from the watermark.

Mr. WILSON. We disagree. We say they can go out 3 miles, and 3 miles only.

Mr. WILLIS. Mr. Secretary, you say it is your view that presently the historic boundaries of the several States are coextensive with the present historic limits or boundaries of the United States as a whole. Referring now to the third portion of the Daniel bill and the Walter bill, which deal with the Continental Shelf, your view is that the historic limits of the States are not coextensive with the limits of the Continental Shelf, and it is in that area seaward of the

historic limits of the States you say that action must also be taken at the same time.

Secretary McKAY. Yes, sir.

Mr. WILLIS. Dealing with that subject is a legislative function as you admit in your statement?

Secretary McKAY. Yes, sir.

Mr. WILLIS. I take it that you realize that it is up to Congress, speaking of the area of the Continental Shelf beyond the historic boundaries, to determine whether 100 percent of the revenues shall go to the United States or 100 percent to the States, or, as in the case of the Walter bill, and the Daniel bill, 37½ percent shall go to the States, and 62½ percent to the Federal Government.

Secretary McKAY. Yes, sir. That is Congress' right.

Mr. WILLIS. You are familiar as Mr. Wilson pointed out that the Walter bill and the Daniel bill do not depart from, but spell out a policy of Congress adopted in 1920 in the Federal Mineral Leasing Act. In other words, in that act as to development of Federal property within the States, 37½ percent of the returns remain in the States. You are familiar with the fact that that is the pattern that the Walter bill and the Daniel bill sought to follow?

Secretary McKAY. Yes, sir.

Mr. WILLIS. And you know also that the House twice resolved its will on that proposition and determined that such is the policy we should follow with respect to the disposition of the oil development returns seaward of historic boundaries. I say you know the House twice acted on that.

Secretary McKAY. I did not know it, but I know it now.

Mr. WILLIS. You are not necessarily asking the House to backtrack on that, and if the House resolves its will in the same fashion as it did in the past, as you say, you would go along and administer that law?

Secretary McKAY. Yes, sir. I do not necessarily agree with that theory set up, but if that is the law, I am a public servant.

Mr. GRAHAM. Mr. Secretary, I think all of the members have exhausted themselves, and practically exhausted you at this point.

Secretary McKAY. I am in good shape.

Mr. YORTY. Mr. Chairman, may I ask the Secretary one question?

Mr. GRAHAM. All right.

Mr. YORTY. Mr. Secretary, you and I have communicated relative to one provision in my bill which I think is the only provision that differs with the bill introduced by Mr. Wilson, Mr. Walter, and the others, and that is I have provided that the Secretary of the Interior shall have discretionary authority to contract with the existing State agencies to handle the leasing of the property outside of the historical boundaries for the Federal Government should you decide that is the best way to handle it. It is purely discretionary. It does not require you to do it. It permits you to do it if you see fit. Do you have any objection to that provision?

Secretary McKAY. No, I would not have any objection to it because I think in some cases the State has better machinery to do it than the Federal Government.

Mr. YORTY. I thought it might help you where you would have to draw this line perhaps right over the top of an oil pool, and the ad-

ministration, it just seems to me, would be easier if one agency handled it.

However ,the State, pursuant to its contract, would be carrying out your will in the matter anyway.

Secretary McKAY. Yes. Ordinarily I do not like to give too much discretionary power to the Secretary of the Interior or any other public official, but in this case, I would agree, because I think there are extenuating circumstances where some cases would work out better.

Mr. GRAHAM. Mr. McKay, first of all, we want to thank you for your appearance here today, and if you desire to submit any additional things, we will be glad to receive them, and later on if you care to be heard, you will be heard again. We are anxious to hear the two gentlemen from the Navy.

From now on the questioning will be conducted only by members of the subcommittee.

Secretary McKAY. Mr. Chairman, I am at your service, but I believe I have nothing further to add.

Mr. GRAHAM. The committee will now hear Admiral Ira H. Nunn, Judge Advocate General of the Navy.

Proceed, Admiral Nunn.

STATEMENT OF REAR ADM. IRA H. NUNN, JUDGE ADVOCATE GENERAL, UNITED STATES NAVY

Admiral NUNN. Mr. Chairman, my name is Ira H. Nunn. I am a rear admiral in the United States Navy, and at present serving as Judge Advocate General of the Navy.

I appear here in the place of Mr. Robert B. Anderson, the Secretary of the Navy, in view of the fact that his appearance today before the Committee on Appropriations prevents his appearing in person. The statement which I am about to make reflects his views and bears his approval. The views which are contained in the statement reflect also the views of the Department of Defense.

It would be superfluous for me to review here the controversial history of the ownership of the offshore lands since it is well known to all members of the committee.

The Department of Defense believes that the Congress has before it a matter of broad national policy which can rightly and properly be determined only by congressional decision. It will be our purpose here to review for the committee only some of those factors which we believe should be taken into consideration in arriving at your conclusions.

There can be no doubt as to the importance of petroleum and its products to all phases of the military services. Any shortage of petroleum products which, in an emergency, would result in the curtailment of naval and other military operations, would be reflected as well in industry and transportation, equally essential to the support of the war effort.

The national requirement of petroleum products is constantly increasing both in terms of civilian and military requirements. In connection with these studies of petroleum needs I should like to invite your attention to the fact that the Department of Defense relies upon

the Petroleum Administration for Defense, an independent agency of the Government administered by the Secretary of the Interior. Should the committee require additional information regarding these studies, it is suggested that detailed information of these studies be obtained from that agency. For reasons which are apparent to you this detailed information and study is highly classified.

The Department of Defense has been asked to provide information with reference to the history of the Navy's naval petroleum reserves including discoveries of oilfields and the production therefrom. I have brought here a pamphlet which has been prepared by the Director of the Naval Petroleum Reserves, Capt. Robert H. Meade, Civil Engineer Corps, United States Navy, which will provide the committee both with the historic background of the naval petroleum reserves and the current production figures.

I might say parenthetically, Mr. Chairman, that the submission of this pamphlet obviates, I believe, the necessity of Captain Meade appearing here. He is also before the Armed Services Committee this morning in naval petroleum reserve matters, and the information which he could give you is in this book.

Mr. CELLER. May I ask whether the captain recommends any particular legislation in that pamphlet?

Admiral NUNN. No, sir. This is an engineering study.

Mr. GRAHAM. You now submit that for the record?

Admiral NUNN. I offer it for the record, sir.

Mr. GRAHAM. It may be inserted at this point.

(The matter referred to is as follows:)

THE NAVAL PETROLEUM AND OIL SHALE RESERVES

PART I—HISTORY TO JUNE 1944

I. CREATION OF THE RESERVES ORIGINS IN THE PUBLIC DOMAIN

In the years circa 1900 the public lands of the United States throughout the West were fast being transferred to private ownership. This steady disappearance of the public domain was taking place primarily through the exercise of rights created by legislation which enabled private persons to enter upon the Government's lands and to locate claims which ripened, on the fulfillment of certain conditions, into full private ownerships. Other tracts, of course, had earlier been ceded directly by the United States as subventions of various kinds, such as grants to the States in aid of school programs and to the railroad companies as subsidies for construction.

The turn of the century coincided with a growing realization of the tremendously important role which oil was destined to play in the years ahead. This was particularly apparent to the Federal Government, charged as it is, constitutionally, with the national defense and the waging of war. It had become clear that the navies of the world were in the future to be powered by oil, and the United States Navy itself had in prospect a complete changeover from coal to petroleum and an expensive new ship-construction program based on this principle.

Because of this obvious future need of the Government for oil for the Navy, the suggestion early was made that probable oil-bearing lands in the public domain should be permanently withdrawn from the areas upon which entry could be made and claims staked out. President Theodore Roosevelt directed the United States Geological Survey to inquire into and to report upon those parts of the public lands believed to contain oil.

The Geological Survey's inquiry was not completed until after President Roosevelt had left office, but early in the administration of President Taft its recommendations were made. As a result thereof President Taft on September 27, 1909, signed an order which in terms purported to be in aid of proposed legislation covering the use and disposition of oil lands on the public domain and

which temporarily withdrew certain large areas in California and Wyoming from entry and settlement under existing public land laws.

It was widely urged that this order was void and of no effect, the theory being that the executive arm of the Government could not constitutionally suspend the operation of laws enacted by Congress permitting the acquisition of lands in the public domain. Although not, of course, sharing this view, President Taft did request Congress to pass legislation specifying that such authority did reside in the Executive. His request was honored by the passage of the act of June 25, 1910—the so-called Pickett Act—which vested the President with discretionary power at any time to make temporary withdrawals from entry and settlement of lands from the public domain for public purposes, such withdrawals to remain in effect until revoked by him or by an act of Congress. The statute expressly preserved the rights of any person who, upon the date of any order made before or after the law's enactment, was a bona fide claimant or occupant of oil or gas lands and who was at such date engaged in the diligent and continuous prosecution of work leading to the discovery of oil or gas.

President Taft thereupon, by an Executive order dated July 2, 1910, confirmed the withdrawals which, prior to the passage of the Pickett Act, had been made earlier by the order of September 27, 1909.

SPECIFIC RESERVATIONS FOR THE NAVY

President Taft's two withdrawal orders had not mentioned the Navy nor had they had the effect of expressly allocating any of the lands involved to the Navy for its benefit. The lands affected were merely withdrawn from private entry and they still continued as a part of the public domain under the jurisdiction of the Interior Department. The setting aside of certain of such lands for the exclusive use of the Navy did, therefore, require some further action. As is described below in the case of each reserve, this action was forthcoming throughout a span of years following June of 1912 at which time the General Board of the Navy had recommended to the Secretary of the Navy that "permanent reservations be made for future naval fuel-oil supplies."

A. The petroleum reserves

1. *Reserve No. 1 (Elk Hills).*—On June 25, 1912, the Secretary of the Navy asked the Secretary of the Interior for the latter's cooperation in securing the reservation for the Navy of oil-bearing public lands in California sufficient to insure a supply of 500,000,000 barrels. In response to this request, the Geological Survey recommended an area of 38,072.71 acres in the Elk Hills, Kern County, Calif. Accordingly, President Taft issued an Executive order, dated September 2, 1912, creating Naval Petroleum Reserve No. 1. Of the area lying within the boundaries of the reserve, as so constituted, 12,103.09 acres appeared to be legally patented to private owners and the balance, 25,969.62 acres, remained in the ownership of the Government.

At the time this reserve was actually set aside for the Navy, no actual discoveries of oil by drilling had yet been made, and the selection of the area had mainly been founded upon general knowledge of its geology. No one knew with any degree of exactitude whether it contained more or less than the 500,000,000 barrels which the Navy had requested. Subsequent exploration has proved the wiseness of the choice, since recoverable reserves are estimated to be well in excess of the above figure.

Plate No. I shows the present extent of the Elk Hills reserve. Plate IA is a location map of the petroleum and shale reserves situated in the continental United States.

2. *Reserve No. 2 (Buena Vista Hills).*—Because of the uncertainty as to the amount of oil contained in reserve No. 1, the Geological Survey recommended a second reservation of an area of 30,180.69 acres in the Buena Vista Hills, Kern County, Calif., immediately adjacent to a portion of the southern boundary of reserve No. 1. Accordingly, by an Executive order dated December 13, 1912, President Taft created Naval Petroleum Reserve No. 2. Of the area lying within this reserve, the greater part, 19,090.94 acres, appeared to be patented to private owners and the balance, 11,089.75 acres, was still owned by the Government. Oil had already been actually discovered within the limits of this reserve.

Plate No. II shows the present extent of reserve No. 2.

3. *Reserve No. 3 (Teapot Dome).*—On June 29, 1914, the Secretary of the Navy wrote the Secretary of the Interior that the Navy was thinking of asking the President to create a naval petroleum reserve in Wyoming. The Interior Department was asked to nominate possible sites, and it complied by suggesting

certain areas. The Navy Department preferred one of these—a tract known as Teapot Dome—for the reasons that, unlike reserves Nos. 1 and 2, all of its acreage was owned by the Government and there were, therefore, none of the problems presented by the checkerboarding of a reserve with private holdings. This reason, in the Navy's view, more than balanced the fact that the area had not been drilled.

President Wilson's Executive order designating the Teapot Dome area in Wyoming as Naval Petroleum Reserve No. 3 was signed on April 30, 1915.

Plate No. III shows the present extent of reserve No. 3.

4. *Reserve No. 4 (Alaska).*—On February 27, 1923, President Harding signed an Executive order creating Naval Petroleum Reserve No. 4, an enormous area of 37,000 square miles on the northern tip of Alaska just south of Point Barrow.

Plate No. IV shows reserve No. 4 on a map of Alaska. Plate No. V shows reserve No. 4 on a larger scale than plate No. IV.

B. The oil-shale reserves

1. *Shale Reserve No. 1 (Colorado No. 1).*—As a further guaranty of oil for the Navy in future emergencies, it was decided to segregate and hold apart for such purpose certain sections of the public domain containing shale rock capable of being mined and the hydrocarbons contained therein converted into oil. President Wilson, by an Executive order dated December 6, 1916, designated 44,560 acres of the public lands in Colorado as Naval Oil-Shale Reserve No. 1 (Colorado No. 1). By subsequent Executive order dated June 12, 1919, President Wilson restored to the public domain some 3,880 acres of that originally withdrawn. Accordingly, reserve No. 1 comprises a surveyed area of 41,353 acres, of which 4,785 acres are patented mineral lands.

2. *Shale Reserve No. 2 (Utah No. 1).*—By an Executive order, also dated December 6, 1916, President Wilson established Naval Oil-Shale Reserve No. 2. This consisted of 4 townships in Utah exclusive of 8 sections which were granted to the State of Utah for school lands. With the exception of 880 acres, these 8 sections were reconveyed to the Federal Government pursuant to an Executive order issued by President Coolidge on November 17, 1924. As a result, the reserve No. 2 now comprises an area of approximately 92,160 acres, of which 880 acres are patented mineral lands.

3. *Shale Reserve No. 3 (Colorado No. 2).*—Naval Oil-Shale Reserve No. 3, established by Executive order of September 27, 1924, comprises approximately 22,600 acres bordering reserve No. 1 on the east, south, and west. While less than 15 percent of reserve No. 3 contains oil-bearing shale, its withdrawal was considered necessary to afford working space and spent-shale disposal areas necessary for the ultimate, anticipated operations. Plate VI shows the location of the oil-shale reserves.

II. EARLY ADMINISTRATION BY THE NAVY

The Executive orders creating the naval reserves provided that the public lands embraced therein should be held for the exclusive use or benefit of the United States Navy.

By the act of June 4, 1920 (41 Stat. 813), Congress acted to place the naval reserves expressly in the possession and under the authority of the Navy and defined the uses to which the Navy could put them.

The act of June 4, 1920, continued for 18 years as the charter of Navy's powers with respect to the reserves. It directed the Secretary of the Navy to take possession of all properties within the naval petroleum reserves not subject to equitable claims resolvable by the Secretary of the Interior under the Leasing Act or to patent under any law, and to conserve, develop, use, and operate the same in his discretion, directly, or by contract, lease, or otherwise, and to use, store, exchange, or sell the oil and gas products therefrom for the benefit of the United States.

The Secretary of the Navy in October 1927 established as a part of his office, the Office of Naval Petroleum and Oil Shale Reserves, and various officers of the Navy have served as Director of that office. The present Director is Capt. Robert H. Meade (CEC), United States Navy.

An amended version of the act of June 4, 1920, was approved on June 30, 1938, and was later amended by the act of June 17, 1944.

A. The shale reserves

Some experimental work on oil shale has been done by the Navy, and a great deal of valuable experimental work has been done by the Bureau of Mines.

When the act of June 30, 1938, was passed, a specific proviso was added to the effect that nothing therein should be construed to permit the development or operation of the shale reserves.

B. The petroleum reserves

1. *Reserve No. 3 (Teapot Dome).*—All of the producing wells on the reserve were, on December 31, 1927, shut in and the field has remained completely closed down ever since.

2. *Reserve No. 1 (Elk Hills).*—The only private owner of lands inside the reserve was the Standard Oil Co. of California. Standard, however, adhered to an understanding with the Navy to the effect that neither would drill any wells inside the reserve without 6 months notice to the other. Pursuant to this understanding Standard's lands within the reserve continued to be largely undeveloped and unproduced.

On October 15, 1942, President Roosevelt signed an Executive order enlarging the limits of the reserve to the east to include the balance of the known geologic structure of the shallow-oil zone.

PART II.—HISTORY SINCE 1944, PRESENT STATUS, AND PLANS FOR FUTURE ADMINISTRATION OF THE NAVAL PETROLEUM AND OIL-SHALE RESERVES

A. The petroleum reserves

1. *Naval petroleum reserve No. 1.*—By the act of June 17, 1944 (34 U. S. C. A. 524), the Navy was granted congressional authority to enter into a unit-plan contract with Standard for unitization of the reserve. On June 19, 1944, the unit-plan contract authorized by Congress and approved as to legality by the Attorney General prior to its execution was entered into with Standard. The contract was approved by the President on June 28, 1944. Under the terms of the contract, the entire reserve is operated as a single property or unit in which Navy and Standard are the only participants. By the terms of the unit-plan contract, Navy acquired absolute control over the rate of exploration, development, and production, and for the first time since the creation of the reserve the Government was finally in a position to control a large, proven reservoir of oil in place as a true naval petroleum reserve.

The worth of a naval petroleum reserve to the armed services in times of emergency lies not only in having a reservoir of oil in the ground, but also in having such oil stockpiled and readily available for production and use when the occasion demands. Beginning in June 1944 an extensive development program was inaugurated in the reserve to raise production therefrom from 17,000 to 65,000 barrels per day specified by joint resolution of Congress. The discovery in 1941 of the Stevens zone sands underlying the shallow zone disclosed new reserves which are now estimated at approximately 365,000,000 barrels. This amount plus the estimated 345,000,000 barrels in the shallow oil zone gives the Navy control over oil reserves approximating 710,000,000 barrels as of June 30, 1952.

Naval Petroleum Reserve No. 1, as provided in the act of June 17, 1944, can only be produced for use pursuant to legislation or joint resolution of the Congress. At the present time, it is not contemplated that authority to place the reserve on production for use will be requested.

Current production necessary to maintain the field in a state of readiness is limited by the Secretary of the Navy to approximately 8,500 barrels per day. Production is presently being sold to the Wilshire Oil Co. under two 3-year contracts which expire in 1954. A statistical summary of the productivity, area, development, and planned drilling of the shallow oil zone and the dry-gas zone is appended as table I. A like summary for the Stevens zone is appended as table II. It is estimated, as of June 30, 1952, that Elk Hills could produce 125,000 barrels per day at maximum efficient rates and that a maximum rate would initially be approximately 180,000 barrels per day.

Construction of facilities in Elk Hills to handle the wet gas produced incident to full production was commenced in the late summer of 1951. These facilities include a gasoline and pressure maintenanace plant, constructed to a 50 million cubic feet per day capacity but allowing for expansion to a 94 million cubic feet per day capacity. The facilities also include gas-gathering and injection lines and additions to the old gasoline plant. The construction of these facilities was completed in October 1952.

A deep test drilled to explore for lower productive sands was drilled in sec-

tion 30, T. 30 S., R. 23 E., Mount Diablo base and meridian. The well discovered a new productive horizon in the Carneros sand (9,300–9,550 feet) and a new gas horizon in the Olig sand (5,020–5,050 feet). The well was carried to a depth of 12,856 feet but did not reach deeper objectives due to steeply dipping beds in the lower portion of the hole. The well is estimated to flow some 200 barrels of oil and 2 million cubic feet of gas daily from the Carneros zone and some 10 million cubic feet of gas daily from the Olig. The discoveries made in this well, although they cannot yet be fully evaluated, are considered to be important supplements to our known reserves of oil and gas in Elk Hills.

A total of $53,491,327 has been appropriated for the development, operation, and maintenance of Naval Petroleum Reserve No. 1 of which $50,968,730 was expended through June 30, 1952. A total income of $64,375,098 as of June 30, 1952, has been received from Naval Petroleum Reserve No. 1 which has been deposited in the United States Treasury account "Miscellaneous receipts" in accordance with the laws governing the naval petroleum reserves.

2. *Naval Petroleum Reserve No. 2.*—In Naval Petroleum Reserve No. 2 different conditions obtain from those in Naval Petroleum Reserve No. 1. Because the acreage owned by the Government is only a little more than one-third of the total acreage within the reserve and because a number of diverse private interests within the reserve are intent on producing oil, it has been impractical for the Government to attain control of the production in Naval Petroleum Reserve No. 2. As pointed out in part I, the reserve has been operated by the lessees of the Government's lands and the private owners, and it is not, therefore, in a true sense a reserve. Eighty-eight percent of the Government's lands within this reserve have of necessity been leased to private interests to prevent the loss of oil and gas therein by drainage caused by operations on adjacent private lands. This reserve now contains an estimated 22,807,360 barrels of recoverable oil from Government lands. There are now approximately 279 productive wells in the reserve on the Government's leased lands. Present production aggregates about 4,033 barrels daily from the Government's lands. A statistical summary of the Navy's lands within Naval Petroleum Reserve No. 2 is appended as table III.

A total income of $27,379,289 has been received from lease payments and sales of royalty production from Naval Petroleum Reserve No. 2 as of June 30, 1952, and has been deposited in the United States Treasury account "Miscellaneous receipts." Administrative expenses totaling $1,877,719 have been charged against this activity.

3. *Naval Petroleum Reserve No. 3.*—A statistical summary of Naval Petroleum Reserve No. 3 is appended as table IV. A total income of $6,100,841 has been received from Naval Petroleum Reserve No. 3 and has been deposited in the United States Treasury account "Miscellaneous receipts." Administrative expenses totaling $333,562 have been charged to this activity to June 30, 1952.

As pointed out in part I, all of the producing wells on Naval Petroleum Reserve No. 3 were shut in on December 31, 1927, and the field has remained shut in since with the exception of a small quantity of oil produced for production tests of horizons lower than the shut-in Second Wall Creek. Development of the field when shut in consisted of 84 oil wells and 16 gas wells, all of which were drilled by the lessee, the Mammoth Oil Co. During the period prior to the revocation of the lease a total of 3,550,228 barrels of oil were produced from the Second Wall Creek sand. Remaining reserves recoverable from the Second Wall Creek sand are estimated to be approximately 8,400,000 barrels.

Drilling activities in the immediate area and adjacent to the boundaries of Naval Petroleum Reserve No. 3 in 1949 and 1950 indicated that exploratory drilling to the deeper horizons in the Teapot Dome structure was to the best interest of the Government. Some wells drilled by private interests in close proximity to the reserve were successfully completed in the Dakota sandstone horizon with initial productive capacities as high as 500 barrels per day of 35 A. P. I. gravity oil.

Accordingly, funds were included in the 1952 budget to provide for the drilling of two exploratory wells to test the deeper horizons and were approved by the Congress. The office of the Inspector, naval petroleum and oil-shale reserves in Colorado, Wyoming, and Utah was reopened in Casper, Wyo., on April 9, 1951, to provide the necessary field supervision of the exploratory program. To June 30, 1952, approximately $884,500 were expended for drilling of the two deep tests.

These two wells serve to indicate that the Dakota and Lakota sandstones contain no major accumulation of oil in the reserve, but the existence of an oil accumulation in the Tensleep sandstone was definitely proved. The areal extent

and, accordingly, the magnitude of this accumulation cannot, with the present limited data, be even roughly estimated. Of the two wells, one well was dry while the other well shows an initial maximum productive capacity of 600 barrels per day.

Plans for fiscal year 1953 call for the drilling of two additional wells to the Tensleep horizon which may yield sufficient data for approximate reserve estimates.

4. *Naval Petroleum Reserve No. 4 (Northern Alaska).*—In 1944, when the Government anticipated a possible oil shortage if the war continued for a number of years, the Navy Seabees entered the area, initiated geological work, set up a camp at Point Barrow, and moved drilling equipment to Umiat for commencement of the first well, Umiat No. 1, on June 23, 1945. In 1946, the Seabees were replaced by Arctic Contractors, Inc., a civilian organization formed for exploration purposes and composed of—

Hoover, Curtice & Ruby, Inc., New York City (now Exploration Contractors, Inc.)	½
C. F. Lytle Co., Sioux City, Iowa	¼
Green Construction Co., Des Moines, Iowa	¼

Under Navy Contract NOy–13360 through 1951, and presently under Navy Contract NOy–71333, Arctic Contractors set up camps, drill wells, conduct geophysical surveys, and provide all maintenance and support activities on a cost-plus-fixed-fee basis. The United States Geological Survey performs geological work for the Navy and maintains a core-analysis laboratory at Fairbanks, under an exchange-of-funds agreement. Air transportation is provided by the Alaska Airlines, Inc., on a contract basis. This includes line haul from Fairbanks to Point Barrow and bush flights from Point Barrow to work camps in all parts of the reserve.

Nine other Government agencies which maintain operational or research activities in the Reserve are supported by the Navy on an exchange-of-funds basis.

Thirty-five test wells and 41 core holes have been drilled on the reserve varying in depth from 115 to 11,873 feet, for a total footage of 167,613 feet. Number of test wells and core holes by depth group is as follows:

	Test wells	Core holes
0 to 500 feet	0	14
500 to 1,500 feet	7	23
1,500 to 5,000 feet	15	4
5,000 to 7,500 feet	11	0
Below 7,500 feet	2	0
	35	41

A small gas well about 4 miles south of the Barrow Comp was discovered in 1949. One well is being produced at approximately one-half million cubic feet per day for heat and fuel at Barrow Camp. DeGolyer and MacNaughton have estimated a gas reserve in the order of magnitude of 10 billion cubic feet.

Gas was discovered in 2 wells drilled in the last half of 1951 on Gubik anticline about 12 miles northeast of Umiat and partly outside the boundary of Naval Petroleum Reserve No. 4. Gas reserves here have been estimated at 300 billion cubic feet.

In the Simpson area about 65 miles east of Point Barrow where several active oil seepages exist, 2 shallow core holes have flowed 20° API gravity oil at rates of 110 to 250 barrels per day each from a depth of 300 feet in the permafrost which is 1,320 feet thick here. Thirty-one other core holes drilled in the vicinity of these seeps have been nonproductive and present indications are that the productive area may be a narow strip 1 or 2 miles long at best, or a single productive well at each of 2 seeps. Two test wells, one to 7,000 feet and one to 3,774 feet, drilled in this area indicated no deep production here.

An oil field capable of producing 36.6° API crude oil has been discovered at Umiat on the southeast corner of the reserve. Eleven test wells have been drilled in this field and present estimates of recoverable oil range from 30 to 122 million barrels. The principal factor in the variation of Umiat reserve estimates lies in the estimation of the percentage of oil in place which could be recovered.

In this vast sedimentary basin, covering about 68,000 square miles, a substantial amount of geological and geophysical work has been accomplished. In 1945

the Geological Survey conducted an aerial magnetometer survey of the entire area north of the Brooks Range, including Naval Petroleum Reserve No. 4 and adjacent public lands. A gravity meter survey of the flat Arctic plain within Naval Petroleum Reserve No. 4 was accomplished during the years 1946 to 1950, inclusive. This survey has been completed.

About 15 percent of the basin has been covered by seismic work; however, an additional 50 percent of the area is either not workable by seismic methods or is not considered at this time to require seismic surveying for a reasonable evaluation. Surface geological surveys by the Navy Seabees in 1944 and 1945 and by the United States Geological Survey from 1946 to the present have covered about 90 percent of the workable areas in Alaska north of the Brooks Range. The entire reserve and adjacent areas have been aerially mapped by the Army and Navy photographic units.

A policy decision made by the Assistant Secretary of the Navy after the June 1951 Operating Committee meeting in Fairbanks, Alaska, and concurred in by Representative Vinson, chairman of the House Armed Services Committee, was to continue exploration in Naval Petroleum Reserve No. 4 on a year-to-year basis provided results so justify and funds are made available. Emphasis has been shifted to possible pre-Cretaceous horizons and the program for calendar year 1953 includes two exploratory wells to test all prospective producing zones through the Mississippian Lisburne limestone.

A total of $45,265,000 has been appropriated for this program through fiscal year 1952.

5. *The oil shale reserves.*—While the Secretary of the Navy has congressional authority, under the act of June 4, 1920, as amended, for the exploration, development, and operation of the naval petroleum reserves, no such authority exists for the development and operation of the oil shale reserves. The Bureau of Mines is presently conducting experimental work at the oil shale demonstration plant near Rifle, Colo., on Navy lands with Interior Department appropriations. Present estimates are that the Navy's oil shale reserves in Colorado contain approximately 7 billion barrels of recoverable shale oil in rich shales assaying 25 gallons or more per ton, and about 36 billion barrels from the entire deposit, both rich and lean. No estimates have been made of the recoverable shale oil from the Utah Reserve. A table showing the area of the oil shale reserves and the estimated shale oil reserves in Government lands is appended as table V.

6. *Conclusion.*—Navy's policy as to the future administration of the naval petroleum reserves will be, as it has in the past, that there shall be the maximum conservation of oil consistent with the needs of the national military and naval security. The Navy has regarded itself as charged by Congress with the responsibility for maintaining its present holdings of oil lands as a reserve in the ground, insofar as that can possibly be achieved, and for restricting production to the minimum necessary to maintain the field in a state of readiness.

As to the oil-shale reserves,the Navy's policy is to watch and encourage research, both governmental and private, in synthetic-liquid fuels from shale. The potential value of the shale reserves must not be underestimated.

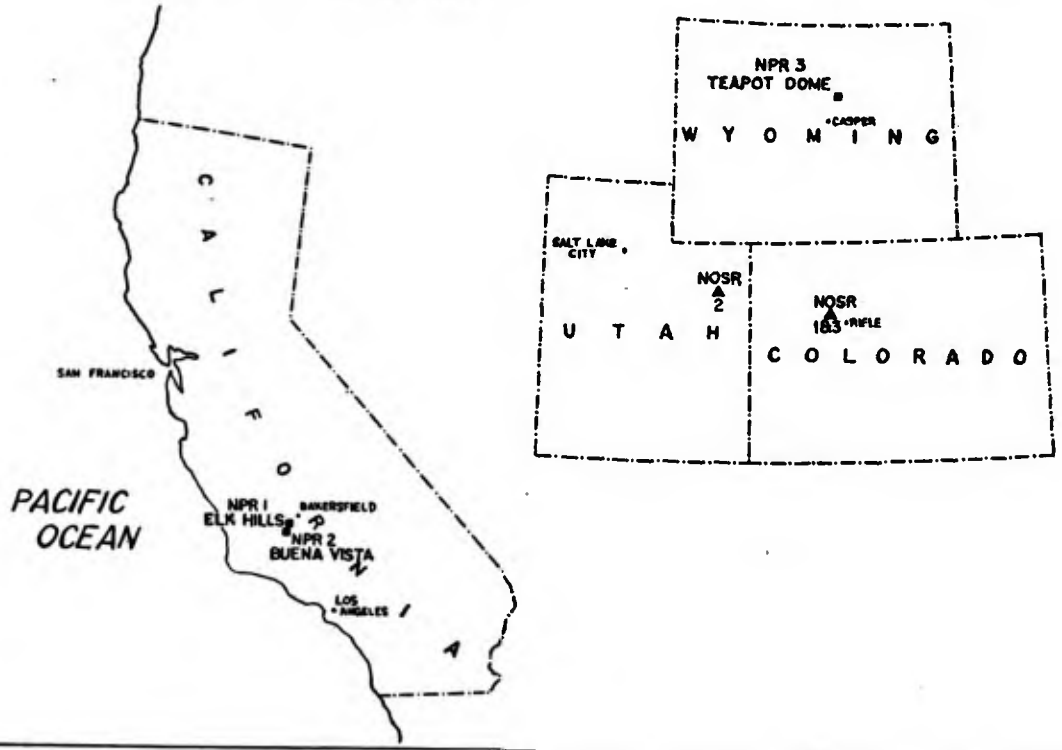
From fiscal year 1916 through fiscal year 1952, the sum total of $103,924,008 had been appropriated for the naval petroleum reserves of which approximately $95,544,939 had been expended to June 30, 1952.

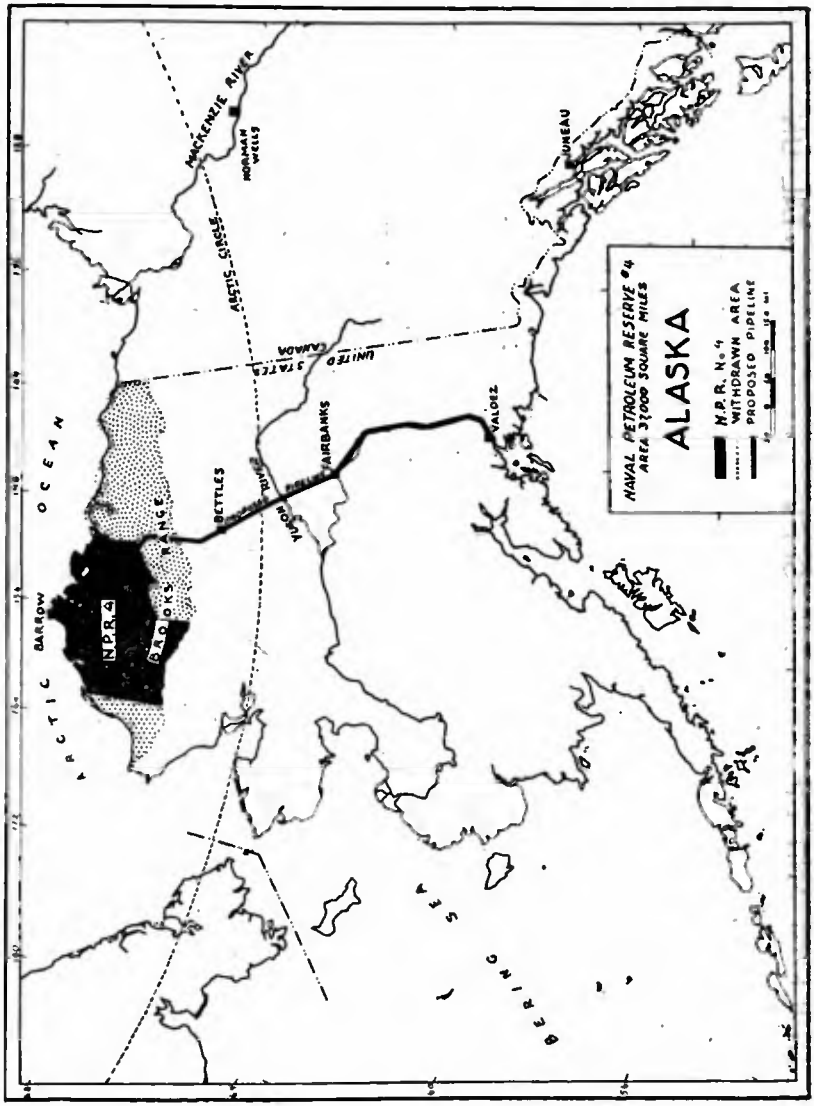
Total income from all sources from the naval petroleum reserves during the same period was $97,855,228 which has been deposited in the United States Treasury.

It may, therefore, be pointed out that after exploring and developing Naval Petroleum Reserve No. 1 to its present potential and having proven a reserve of approximately 700,000,000 barrels of oil in this field, and having carried out the Alaska exploration program and administration of the other reserves, the total income figure exceeds all capital and noncapital expenditures made to date by approximately $2,300,000.

NAVAL PETROLEUM AND OIL SHALE RESERVES IN CONTINENTAL UNITED STATES

LOCATION MAP




ARCTIC OCEAN
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VALDEZ
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AREA 37,000 SQUARE MILES
ALASKA
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WITHDRAWN AREA
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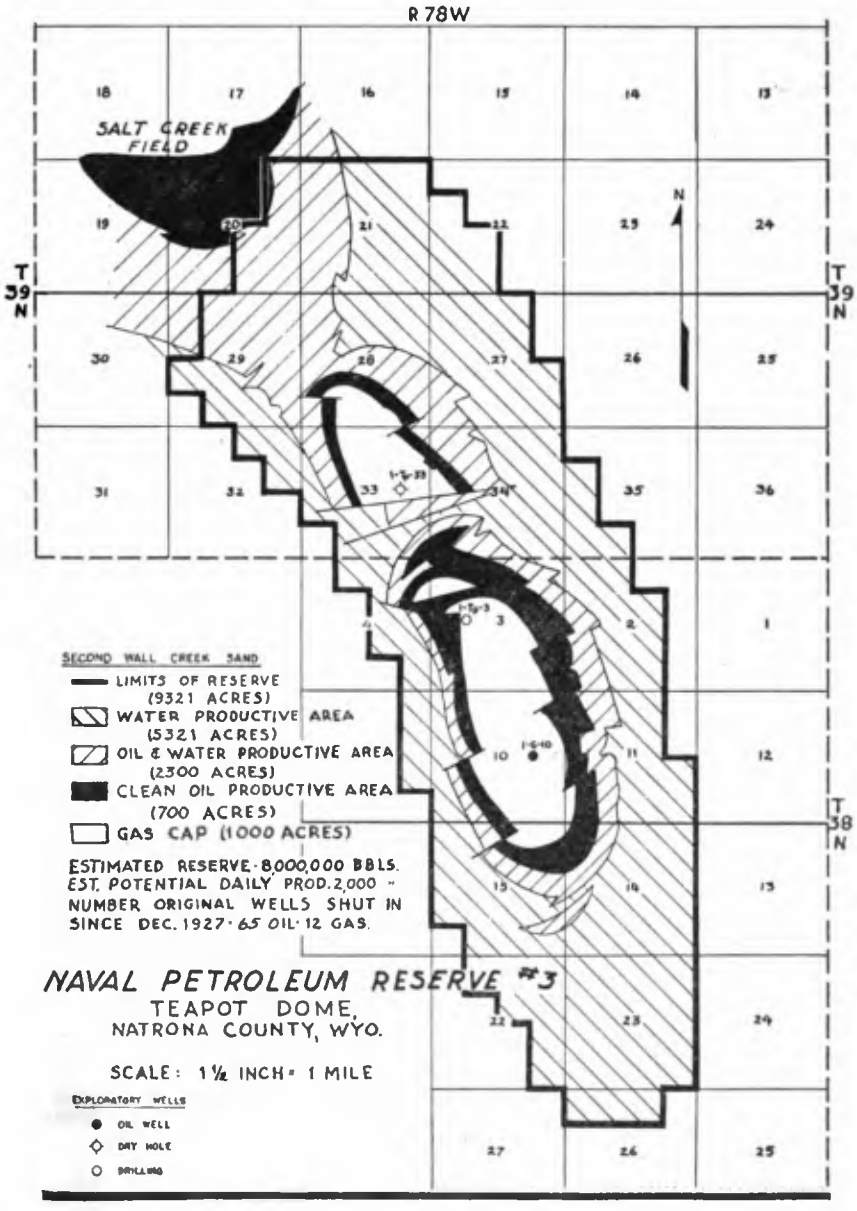
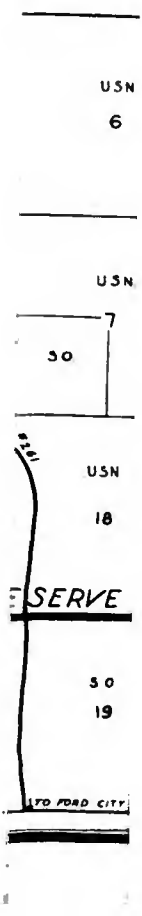

R 78W
SALT CREEK FIELD
T 39 N
T 38 N
SECOND WALL CREEK SAND
LIMITS OF RESERVE (9321 ACRES)
WATER PRODUCTIVE AREA (5321 ACRES)
OIL & WATER PRODUCTIVE AREA (2300 ACRES)
CLEAN OIL PRODUCTIVE AREA (700 ACRES)
GAS CAP (1000 ACRES)
ESTIMATED RESERVE-8,000,000 BBLS.
EST. POTENTIAL DAILY PROD. 2,000 -
NUMBER ORIGINAL WELLS SHUT IN SINCE DEC. 1927-65 OIL-12 GAS.
NAVAL PETROLEUM RESERVE #3
TEAPOT DOME,
NATRONA COUNTY, WYO.
SCALE: 1½ INCH = 1 MILE
EXPLORATORY WELLS
OIL WELL
DRY HOLE
DRILLING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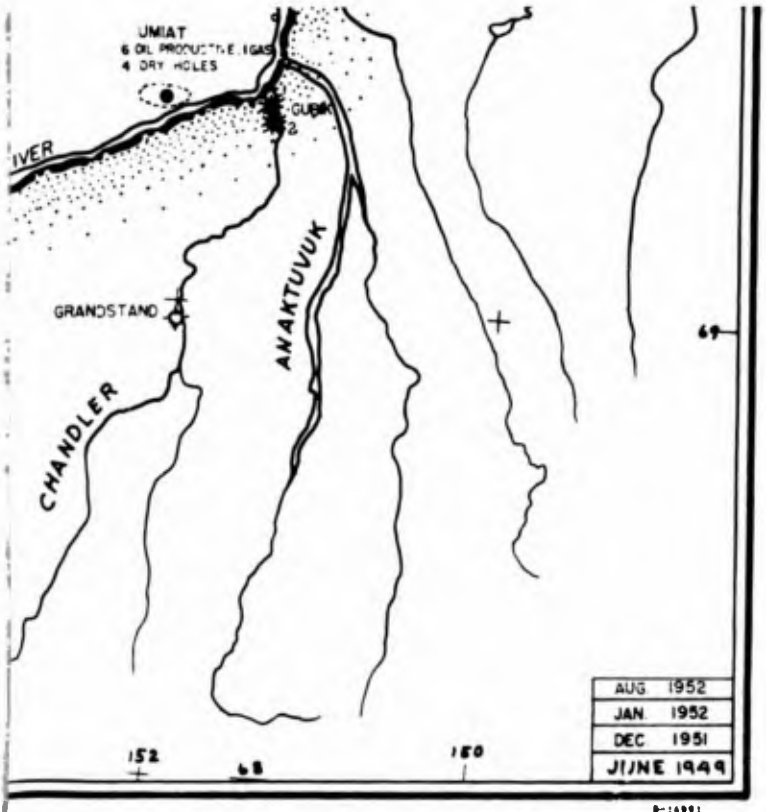

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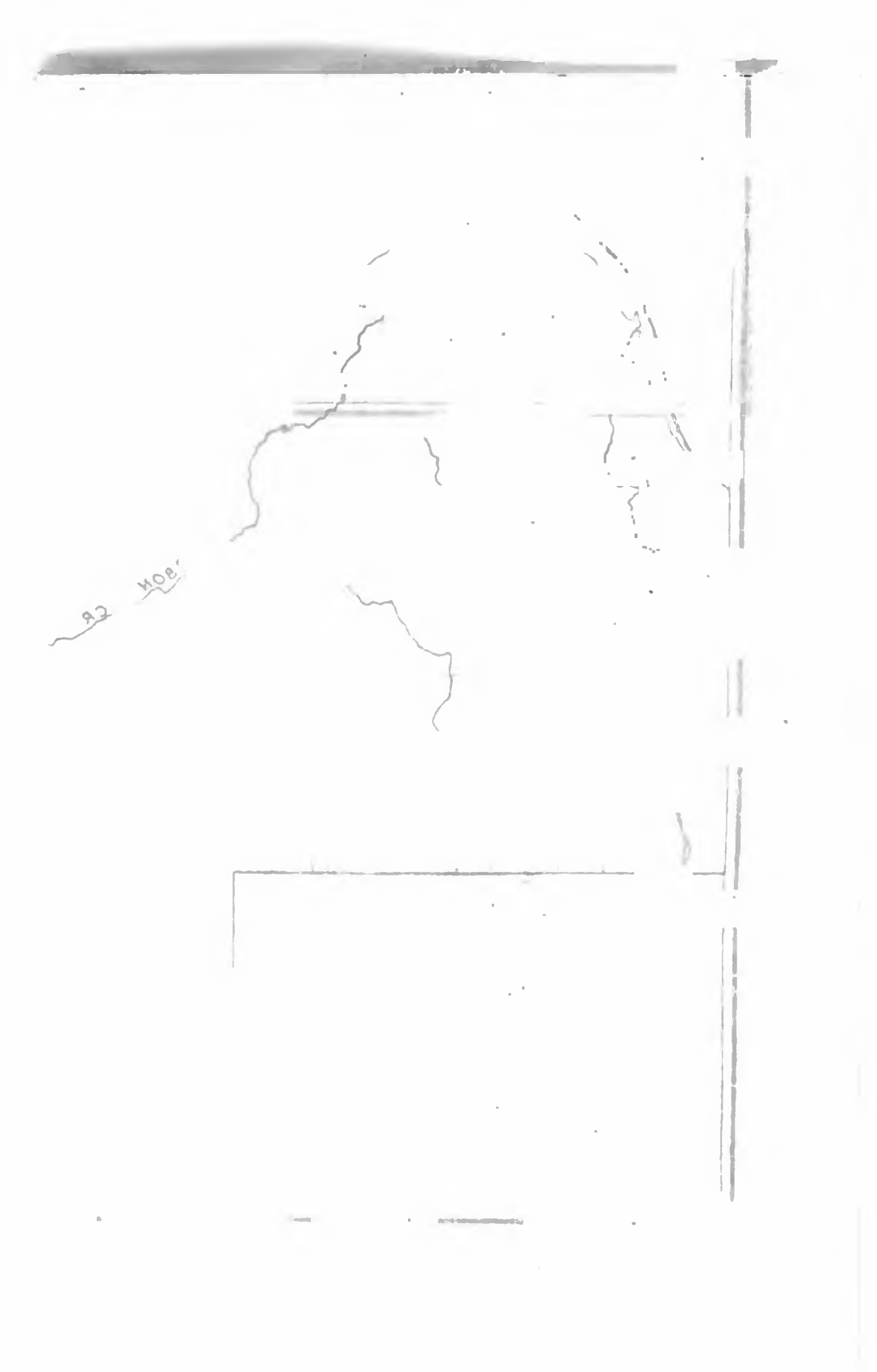
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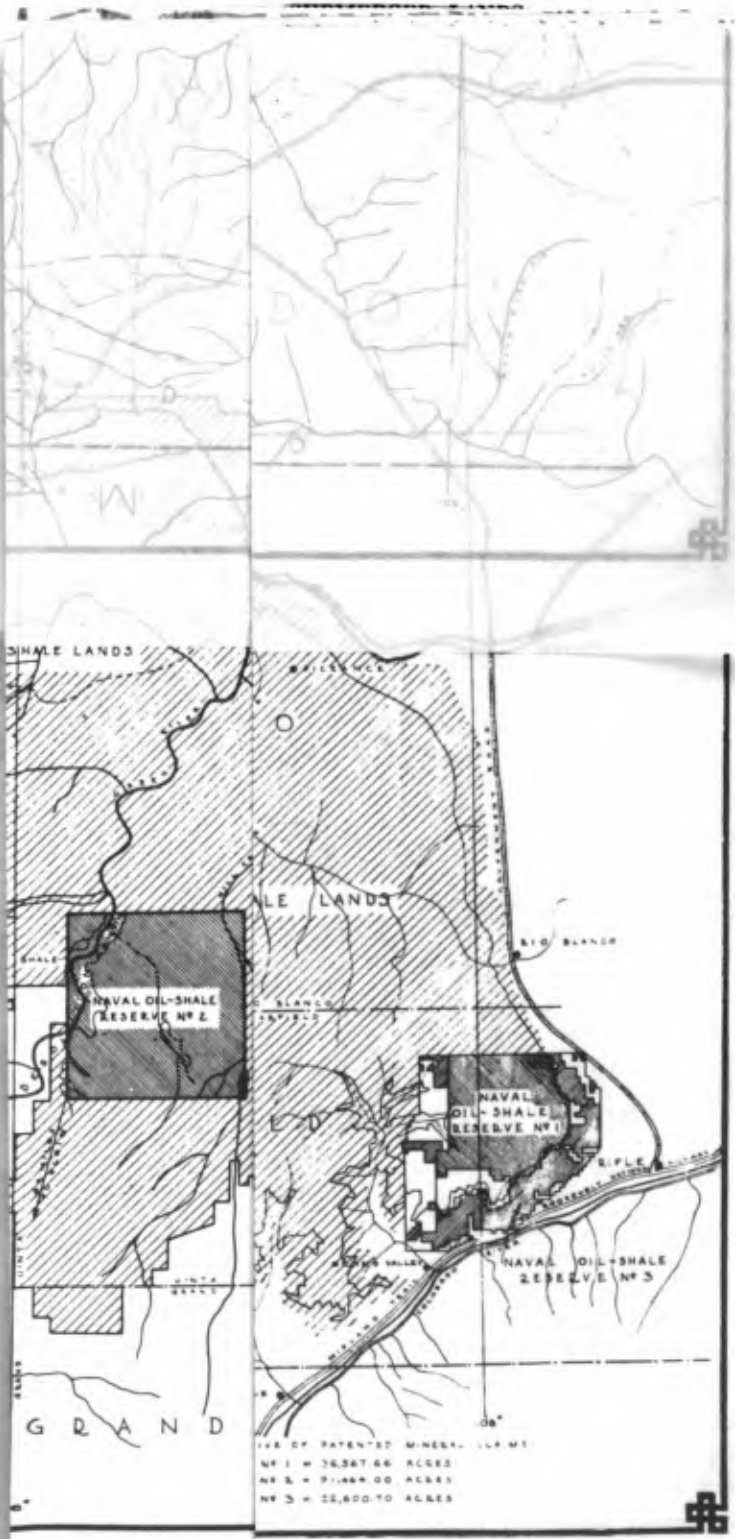

PLATE VI

30869 O - 53 (Face p. 206D) No. 4

TABLE I.—*Shallow oil zone*

	Navy	Standard	Total
Area, surface acres in reserve	37, 554	8, 541	46, 095
Estimated productive area (acres), shallow zone	13, 790	3, 160	16, 950
Participating interests (percent)	66. 9152	33. 0848	100
Estimated oil reserves (barrels) June 30, 1952	245, 000, 000	100, 000, 000	345, 000, 000
PRODUCTION DATA			
Cumulative production prior to unit-plan contract, Nov. 20, 1942	74, 443, 018	86, 214, 609	160, 657, 627
Percent	46. 33	53. 67	100
Production from Nov. 20, 1942, to June 30, 1952, allocated to	16, 142. 433	28, 629. 771	44, 772, 204
Percent of production allocated to	36. 05	63. 95	100
DEVELOPMENT			
Producing wells, Nov. 20, 1942			215
Productive wells, June 30, 1952			639
Locations to be drilled			75
Estimated total wells when development completed			714
PRODUCTIVITY			
Productivity, barrels per day, Nov. 20, 1942			13, 069
Estimated productivity, barrels per day, June 30, 1952			75, 000
Estimated productivity, barrels per day, development completed [1]			80, 000
Estimated productivity, barrels per day (emergency)			85, 000
DRY GAS ZONE			
Participating interests (percent)	77. 0492	22. 9508	100
Estimated productive acreage	4, 633	1, 423	6, 056
Gas reserves, MCF (no estimate has been made)			
Production (has not been segregated from oil well gas)			
DEVELOPMENT			
Productive wells	2	1	3
Locations to be drilled (1 well to 160 acres)	28	8	36

[1] Based on present development plans.

TABLE II.—*Stevens zone*

	Navy	Standard	Total
Area, surface acres in reserve	37, 554	8, 541	46, 095
Estimated productive acres, Stevens zone	6, 550	1, 450	8, 000
Participating interests (percent)	79. 3089	20. 6911	100
Estimated oil reserves (barrels) June 30, 1952	290, 000, 000	75, 000, 000	365, 000, 000
PRODUCTION DATA			
Cumulative production prior to unit plan contract, Nov. 20, 1942		106, 643	106, 643
Percent		100	100
Production from Nov. 20, 1942, to June 30, 1952	2, 561, 969	668, 399	3, 230, 368
Percent of production allocated to	79. 3089	20. 6911	100
DEVELOPMENT [1]			
Producing wells, Nov. 20, 1942			3
Producing wells, June 30, 1952			165
Locations to be drilled			91
Estimated total wells when development completed			256
PRODUCTIVITY			
Productivity, barrels per day, Nov. 20, 1942			600
Estimated productivity, barrels per day, June 30, 1952 (maximum efficient rate)			50, 000
Estimated productivity, barrels per day, June 30, 1952 (maximum)			108, 000
Estimated productivity, barrels per day, development completed (maximum efficient rate)[1]			62, 000
Estimated productivity, barrels per day, development completed (emergency)[1]			132, 000

[1] Based on present development plans.

TABLE III.—*Naval Petroleum Reserve No. 2*

Total surface acres in reserve	30,181
Navy lands (34.6 percent)	10,446
Private lands (65.4 percent)	19,735

TABLE III.—*Navy lands*

	Shallow zone	27-B unit	Total
Estimated productive acres	5,000	1,314	
Estimated oil reserves (June 30, 1952)	10,021,293	12,786,067	22,807,360
Cumulative production to June 30, 1952	125,137,552	12,447,291	137,584,843
Number of productive wells (June 30, 1952)	230	49	279
Productivity (June 30, 1952), barrels per day	3,020	1,673	4,693

TABLE IV.—*Naval Petroleum Reserve No. 3*

Second Wall Creek zone:	
Area (acres)	9,321
Estimated oil reserves, June 30, 1952 (barrels)	8,400,000
Estimated productive area (oil), acres	3,000
Estimated productive area (gas), acres	1,000
Production prior to shut-in, Dec. 31, 1927	3,549,228
Average daily production, December 1927	730
Number of productive wells when shut in:	
Oil	64
Gas	16
Average daily production per well, December 1927	14

Tensleep sand zone: One producing well has been completed in the Tensleep sand. Initial production tests indicate a maximum productive capacity of approximately 600 barrels per day. Insufficient data are presently available to permit estimation of total productive capacity of the zone or areal extent of the reservoir.

TABLE V.—*Naval oil-shale reserves, Colorado and Utah*

	Naval oil-shale reserve No. 1, Colorado	Naval oil-shale reserve No. 3, Colorado	Naval oil-shale reserve No. 2, Utah
Area, exclusive patented mineral lands, acres	36,568	22,600	91,240
Area of patented mineral lands, acres	4,785	None	880
Area, total acres	41,353	22,600	92,160
Estimated shale-oil reserves in Government lands (1,000 barrels)	[1] 4,986,000	[2]	[2]

[1] Considers only shales averaging more than 25 gallons of shale oil per ton.
[2] No estimate.

Admiral NUNN. The Navy has been asked whether it considers that it has authority to administer the undersea areas.

The Department of the Navy will, of course, be guided in this matter by the opinion of the Attorney General on this question rendered at the request of the Secretary of Defense and which opinion has already been placed before your committee. If it has not, I can offer it for the record although I understand it has been sent to you.

The Navy Department has been asked whether it is in fact equipped to administer the undersea areas.

The Office of Naval Petroleum and Oil Shale Reserves is in the Executive Office of the Secretary of the Navy and is headed by a Director. It is administering 4 naval petroleum reserves and 3 oil-

shale reserves. The headquarters of the Director is at Denver, Colo., and there are field offices:

(*a*) At Tupman, Calif., for the administration of Naval Petroleum Reserves Nos. 1 and 2 in California.

(*b*) At Casper, Wyo., for the administration of Naval Petroleum Reserve No. 3 in Wyoming and Oil-Shale Reserves Nos. 1, 2, and 3 in Colorado and Utah.

(*c*) At Fairbanks, Alaska, for the administration of Naval Petroleum Reserve No. 4 in Alaska—with subordinate offices in Point Barrow, Alaska, and Seattle, Wash.

Because the question of ultimate ownership of the submerged offshore lands is actively under consideration by the Congress, the problems created by the President's Executive order of January 16, 1953, are being handled by the existing organization with only a minor increase in personnel, except that a small temporary office has been set up in Washington, D. C. A study of the legal and administrative problems has been jointly undertaken by the Judge Advocate General of the Navy and the Director, Naval Petroleum Reserves.

If, after the enactment of legislation, there remains in the Navy any continuing responsibility for any of the submerged offshore oil lands, an appropriate increase in the existing organization will be required. Obviously no estimate of the size of such an increase is possible at this time.

In this connection, however, I should like respectfully to state that the Department of the Navy concurs with the statement of the Secretary of the Interior in believing that these offshore lands, what ever they may be, which are determined to be the property of the Federal Government after legislation has been enacted here, could most advantageously and most desirably be administered by the Department of the Interior rather than by the Department of the Navy.

Implicit in this whole problem is a desirability of solving for all time the question of ownership and jurisdiction over oil-bearing lands beneath the surface of the sea. There should be a solution in order that conservation and development may proceed in the interests of our national community, State or Federal. We venture to hope, therefore, that legislation which may ultimately be enacted here will dispose of the entire Continental Shelf and earmark all portions of it for appropriate ownership, whether State or Federal. It may be that the Congress will determine that there is a difference between ownership of petroleum in the marginal seas to the historical boundaries of the States and ownership of petroleum under the water between historical boundaries and the seaward limits of the Continental Shelf. Without comment upon the merits, I hope that all areas will be definitely disposed of in the legislation now before the Congress.

There is one last matter which I would like to suggest for your serious consideration.

The Department of the Navy has substantial portions of land which have been occupied for naval purposes and have been improved by the erection of permanent buildings, quay walls, piers, and other structures, including filling in, at a cost to the Government of many millions of dollars. In some instances the improvements were constructed on lands lying within inland waters, obviously the property of States, and in others the improvements extend beyond the low-water mark into the marginal seas. In many instances these lands have been oc-

cupied and improved by the United States without perfecting a title of record in the United States.

Under some of the bills before the House and Senate, as presently worded, the United States would relinquish to the States or others all of its right, title, and interest in and to these improvements. It is suggested, therefore, that the property rights of the United States in these improvements be safeguarded by adding a new reservation as a subsection to these bills reading approximately as follows:

All lands and resources therein or improvements thereon which are occupied and used by the United States for any Federal purpose—

that being a reservation from the gift of the bill—

Provided, That no State or person shall be deprived of any right under existing law to claim and receive just compensation for such use.

Mr. GRAHAM. Thank you, Admiral.

Mr. Hillings, do you have any questions?

Mr. HILLINGS. Yes. Then it is the contention of the Secretary of the Navy that Congress should, and that also Congress does have the authority to settle this controversy and proceed with the further development of the petroleum deposits? Is that right?

Admiral NUNN. That is correct, sir.

Mr. HILLINGS. As I understand your testimony, the Secretary of the Navy is not recommending any specific legislation?

Admiral NUNN. That is correct, sir. He does not address himself to the support or the opposition of any particular measure.

Mr. HILLINGS. Does the Secretary of the Navy so far as you know concur in the position taken earlier today by the Secretary of the Interior on this overall question?

Admiral NUNN. He does, sir. He concurs completely.

Mr. HILLINGS. And the Navy also, as I understand your testimony, makes no contention that the national-defense program will suffer in any way if these oil deposits are developed under State ownership and supervision, rather than Federal ownership?

Admiral NUNN. That is correct, sir. The Department of Navy makes no such contention as that. It does urge, however, the desirability of proceeding with the development of all petroleum areas, and we are conscious of the difficulties of doing that under the auspices of the Federal Government, particularly within the historical boundaries of the States.

Mr. HILLINGS. And it is also your feeling, then, that early action by the Congress to settle this controversy once and for all would be a benefit to the national defense; is that right?

Admiral NUNN. That is correct, sir.

Mr. HILLINGS. That is all, Mr. Chairman.

Mr. GRAHAM. Miss Thompson?

Miss THOMPSON. No questions, only to concur with the admiral.

Mr. CELLER. Admiral, I take it that in answer to a question from the gentleman from California, Mr. Hillings, you stated that you concur in the opinion expressed by the Secretary of the Interior, which is to the effect that beyond the historic boundaries of the States that the Federal Government should have right or ownership, or whatever you call it, is that correct?

Admiral NUNN. That is correct. That is the formula which was adopted by the administration and was reflected in the Secretary of

Interior's statement, and it is the view of the Secretary of the Navy as well.

Mr. CELLER. Has the Department of the Navy, if you know, ever expressed any opinion heretofore that militates against that point of view?

Admiral NUNN. Yes, sir. A good many years ago the Navy Department together with the Department of the Interior urged Federal ownership of all the marginal sea. That was a good many years ago, beginning in 1938, I believe, sir.

Mr. CELLER. In other words, the Department then held that the Federal Government would have title from low-water mark clear out to the Continental Shelf?

Admiral NUNN. Yes, sir, that is right. It was a point of view, Mr. Celler, as I remember, which was first expressed in 1938 or 1937 on the part of the Department of the Interior and the Department of the Navy, which I believe resulted in the decisions of the Supreme Court with respect to California, Louisiana, and Texas. It was the contention at that time that whatever proprietary rights existed in that area belonged to the Federal Government. The Supreme Court later decided in the three cases to which I refer that such was the case.

Now, Congress has before it the question of a disposition of this Government property which, I believe, is within the power of Congress, and appropriate for the Congress to operate upon.

Mr. WILSON. I would like to ask one question. These installations you talk about the Navy having along the coast line, certainly I do not think anybody would take the position that the States ought to take those over. Do you know of your own knowledge of any along the coast of Louisiana, California, or Texas that would be affected, and how extensive are they?

Admiral NUNN. I can, sir. I can submit for the record a list of such things which I cannot guarantee at the moment to be complete.

Mr. GRAHAM. Do you desire to submit those at a later date after you have had an opportunity to check them?

Admiral NUNN. Yes, sir, if I may later on.

Mr. WILSON. Are not those installations handled on a deed basis whereby they get a deed from the States or certain rights?

Admiral NUNN. Sir, they should have been so handled. I fear however, that due to negligence or laches or something that there are occasions when we filled land or built piers or seawalls along the coastline between high-water mark and low-water mark, which was State property, and that in some cases we did not take means to perfect our title.

Mr. WILSON. I would say as far as I am personally concerned, I would certainly favor a provision clarifying the Federal Government's ownership of those installations, whatever they might be, if they are in active use.

Admiral NUNN. Yes, sir.

Mr. WILSON. Of course, I do not know how extensive they are. You know sometimes an Army camp will take in hundreds of thousands of acres. But certainly the property that is being used by the Navy as an installation belongs to the Federal Government, whether they got a deed or not, and should be excepted from this bill. That would be my opinion.

Admiral NUNN. That is all we ask, sir. We are a little bit embarrassed about having to bring it up, because it seems to me that we were not very alert when we did not perfect title when these things occurred. But I fear we did not. I have a list, sir. The individual items are not very big each in itself, but there is about a page and a half of them here, and almost every coastal State has a few.

Mr. GRAHAM. Will you submit it for the record, Admiral?

Admiral NUNN. I submit it for the record, sir.

(The document is as follows:)

PARTIAL LIST OF NAVAL ACTIVITIES IN TIDAL WATER AREAS WHERE TITLE OF RECORD HAS NOT BEEN ACQUIRED FOR ANY IMPROVEMENTS BEYOND THE HIGH WATER LINE

Naval Industrial Shipyard, Hingham, Mass.
Naval Industrial Shipyard, Quincy, Mass.
Naval Submarine Base, New London, Conn.
Naval Shipyard, Brooklyn, N. Y.
Naval Industrial Shipyard, Newark, N. J.
Naval Industrial Shipyard, Kearny, N. J.
Naval Base, Philadelphia, Pa.
Naval Industrial Shipyard, Philadelphia, Pa.
Naval Academy, Annapolis, Md.
Newport News Shipyard (Portion) Newport News, Va.
Naval Shipyard (Norfolk), Portsmouth, Va.
Naval Shipyard, Charleston, S. C.
Naval Mine Craft School, Panama City, Fla.
Naval Station, New Orleans, La.
Reserve Fleet Facilities, Orange, Tex.
Naval Station, San Diego, Calif.
Naval Base, Long Beach, Calif.
Naval Shipyard (Hunters Point), San Francisco, Calif.
Naval Shipyard (Risdon) San Francisco, Calif.
Naval Shipyard (Bethlehem), San Francisco, Calif.
Naval Shipyard, Mare Island, Calif.
Reserve Fleet Facilities, Tongue Point, Oreg.
Naval Shipyard, Bremerton, Wash.
Naval Base, Portsmouth, Maine
Naval Base, Boston, Mass.
Naval Base, Newport, R. I.
Naval Base, Norfolk, Va.
Naval Base, Greencove Springs, Fla.
Naval Base, Key West, Fla.
Naval Base, San Francisco, Calif.
Naval Base, Seattle, Wash.
Naval Air Station, Quonset Point, R. I.
Naval Air Station, New York, N. Y.
Marine Corps Base, Quantico, Va.
Naval Air Station, Patuxent, Md.
Naval Air Station, Chincoteague, Va.
Naval Air Station, Norfolk, Va.
Naval Air Station, Harvey Point, N. C.
Naval Air Station, Mayport, Fla.
Naval Air Station, Jacksonville, Fla.
Naval Air Station, Key West, Fla.
Naval Air Station, Corpus Christi, Tex.
Naval Air Station, San Diego, Calif.
Naval Air Missile Test Center, Point Mugu, Calif.
Naval Air Station, Alameda, Calif.
Naval Air Station, Whidboy Island, Wash.
Naval Supply Depot, Bayonne, N. J.
Naval Supply Depot, Newport, R. I.
Naval Supply Depot, Cheatham, Va.
Naval Fuel Annex, Craney Island, Va.
Naval Supply Depot, Oakland, Calif.
Naval Supply Depot (Annex), Stockton, Calif.
Naval Supply Depot, Seattle, Wash.
Marine Corps Recruit Depot, Parris Island, S. C.
Marine Corps Recruit Depot, San Diego, Calif.
Naval Mine Depot, Yorktown, Va.
Naval Powder Factory, Indian Head, Md.
Naval Ammunition Depot, Seal Beach, Calif.
Naval Ammunition Depot, Port Chicago, Calif.
Naval Ammunition Depot, Bangor, Wash.
Naval Receiving Station, South Boston, Mass.
Naval Amphibious Base, Little Creek, Va.
Naval Amphibious Base, Coronada, Calif.
Naval Training Center, Treasure Island, Calif.
Naval Hospital, Portsmouth, Va.
Yards & Docks Supply Depot, Davisville, R. I.

Mr. GRAHAM. Is that all, Admiral?

Admiral NUNN. Yes, sir.

Mr. GRAHAM. Captain Meade?

Admiral NUNN. His appearance is made unnecessary by that document.

Mr. GRAHAM. If that is all, I might say that we are uncertain when we will reconvene for two reasons. Mr. Brownell wants to be heard. The date is not definite. There are some 40 bills, and we have to give opponents and proponents an opportunity to be heard at a later date, and then a day open to the opposition. Witnesses will be given ample opportunity and prompt notice as to when they will appear.

The meeting now stands adjourned.

(Thereupon at 11:55 a. m., the hearings were recessed subject to call of the Chair.)

SUBMERGED LANDS LEGISLATION

TUESDAY, MARCH 3, 1953

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE NO. 1 OF THE COMMITTEE ON THE JUDICIARY,
Washington, D. C.

Subcommittee No. 1 of the Committee on the Judiciary met, pursuant to call, at 2:30 p. m., in room 346, Old House Office Building, Hon. Louis E. Graham, chairman of Subcommittee No. 1, presiding.

Present: Representatives Louis E. Graham (presiding), Ruth Thompson, Patrick J. Hillings, and Emanuel Celler.

Also present: William E. Miller, George Meader, Laurence Curtis, John M. Robsion, Jr., DeWitt S. Hyde, Michael A. Feighan, J. Frank Wilson, Edwin E. Willis, Woodrow W. Jones, and E. L. Forrester.

Mr. GRAHAM. The meeting will come to order. A quorum is present. Mr. Brownell is present, and we will now proceed to hear his testimony.

STATEMENT OF HON. HERBERT BROWNELL, JR., ATTORNEY GENERAL OF THE UNITED STATES, ACCOMPANIED BY J. LEE RANKIN, ASSISTANT ATTORNEY GENERAL

Attorney General BROWNELL. Mr. Chairman, members of the committee, in order to save your time, I have developed here a brief written statement setting forth my views in the matter that the subcommittee has under consideration, and if it meets with your approval, I would like to read that statement first.

Mr. GRAHAM. That will be perfectly all right.

May I make a word of explanation? At the moment they are tendering an ovation to Mr. Celler on the House floor. He has completed 30 years of service in the House. He will be here in a few moments, and also Mr. Walter. That accounts for their absence, and we will submit the statement to them when they come. So will you proceed, please.

Attorney General BROWNELL. The Secretary of the Interior and the Secretary of the Navy, appearing before committees last week, expressed their views concerning the nature of legislation which they favor regarding the disposition of the submerged-lands issue. In general I concur in the following policies suggested by them:

The States should have the right to administer the development and removal of natural resources landward of a line running along their historic boundaries and to retain the income therefrom. The lands beyond that line should be developed under the exclusive supervision and control of the Federal Government with all income therefrom going to the benefit of the entire country.

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The Interior Department should act as the agency of the Federal Government to administer the Federal Government's portion of the submerged lands. Persons who have in the past obtained State leases in good faith should be protected. The entire submerged-lands issue should be resolved in one statute so that the long stalemate may be ended and the exploration and development of the mineral resources of the Continental Shelf may again go forward for the welfare of the country.

Those, as I state, are the suggestions made by the Secretary of the Interior and the Secretary of the Navy, with which I generally concur.

There are a number of things I should like to suggest concerning the legislation which have a special importance to the Department of Justice.

First: For the purpose of minimizing constitutional questions, I consider it of primary importance that any statute combine a program (*a*) authorizing the States to administer and develop the natural resources from the submerged lands within a line marking their historic boundaries, with (*b*) specific authorization to the executive branch of the Government to develop the lands outside of that line, with the income therefrom going to the entire Nation. The statutes also should reserve to the United States its powers to regulate navigation, conduct the national defense and conduct international relations in the so-called State areas.

My recommendation would mean, in legal terms, that instead of granting to the States a blanket quitclaim title to the submerged lands within their historic boundaries, the Federal Government would grant to the States only such authority as required for the States to administer and develop the natural resources. I want it clearly understood that I do not thereby intend to cast any doubt upon the constitutionality of a so-called quitclaim statute, but merely to draw to your attention a method of minimizing if not eliminating altogether the constitutional point raised by other witnesses.

Second: An actual line on a map dividing the two areas of submerged lands, the State and Federal, should be drawn by Congress in the bill to eliminate much expensive and unnecessary litigation. If the statute merely refers to "historic boundaries" or merely describes a line beginning at the edge of the States' inland waters or tries to describe bays and estuaries or other characteristics of the coast, unnecessary litigation will almost surely result. This suggestion of an actual line on a map as part of the bill would cure that and would also eliminate international problems that might otherwise arise if territorial ownership claims are asserted in the States or Federal Government beyond the historic 3-mile limit.

Third: The statute should clearly state that the submerged lands now under inland waters, including the Great Lakes, are the property of the States and that the Federal Government makes no claim to them.

Fourth: Provision should be made in the statute to make certain that all installations by the States on submerged, reclaimed, or filled or other lands inside the line; belong to the States, subject to the navigation servitude; also that all installations and acquisitions of the Federal Government within such area belong to it.

Fifth: Insofar as Congress deems it prudent, latitude in management policies should be allowed to the Secretary of the Interior or

such other person as the President may designate to develop the lands under his supervision, in the best interest of the country generally. Such a grant of power should reduce the controversies and litigation that might otherwise result from the many day-by-day problems involved in developing these resources.

Sixth: I recommend against any reservation in the statute on behalf of claimants under the Mineral Leasing Act, since it has been the consistent position of the Department of Justice that such claims have no standing in law. In fact the Department is defending such asserted right in the courts at the present time on that ground.

In summary, I have suggested that any statute (1) be drawn to minimize the possibility of any constitutional question, (2) to simplify the problem of boundaries, (3) to protect the States rights in inland waters, (4) to guard Federal installations already made, (5) to eliminate litigation by granting latitude to the Secretary of the Interior in adopting management policies for properties under his control, and (6) using care not to prejudice Federal Government rights in pending litigation with private claimants.

Mr. GRAHAM. Do you care to amplify your statement in any way?

Attorney General BROWNELL. Not unless there are some questions that the members of the committee might have. I shall be very glad to try to answer them.

Mr. GRAHAM. Before we proceed further, may I ask if you have any limitation on your time?

Attorney General BROWNELL. None whatsoever.

Mr. GRAHAM. Mr. Brownell, we did not know how long you would take, and so we have scheduled this afternoon, and we would get through as quickly as possible, three Members of the Congress.

I want to address my remarks to you gentlemen who are going to do the interrogating, to make it brief and not drag it out too long, because you will hurt your own fellows.

Next, when we adjourn today, we will meet tomorrow morning at 10 o'clock, and we will meet in room 327. We will continue right through the hearing at that time.

Now, Mr. Hillings.

Mr. HILLINGS. Mr. Attorney General, you urge that the States should have the right to administer the development of natural resources. You say you do not favor a blanket quitclaim title to the submerged lands, but the States should have such authority as necessary to administer them. Do you maintain by that statement that the States do not or should not own the submerged lands within their historic boundaries?

Attorney General BROWNELL. May I give you a little background of my thinking on that particular point before I answer the question specifically?

In the three Supreme Court cases, some of the judges have taken the position, as you well know, that the elements of sovereignty and property ownership coalesce as an indivisible whole. Therefore some of the witnesses before this committee and the corresponding Senate committee have taken the position that that raises a constitutional question as to the power of Congress to grant to the States the blanket title to the lands. We do not see any reason for having that question raised. The States want, and we believe they are entitled to, all the development rights, you might say, in these submerged lands within

their historic boundaries. That is the right to develop all the natural resources in that area and to retain the proceeds therefrom. We believe that that can be accomplished without raising this constitutional question by, instead of granting a blanket quitclaim title to them, granting all the rights that they need to develop the natural resources in the area with the right to retain the income therefrom. That is, you might say, a lesser property right, but it does give them the full powers which they have been seeking, and which we believe they are entitled to, and it does minimize, if not eliminate, altogether this constitutional point that certain people are trying to raise against such a transaction.

Mr. HILLINGS. Then under your recommendation the Congress should leave the question of title to that area up in the air; is that right? Recognizing your concern over the possible constitutional question, what is that going to actually do to this question of title? In other words, is is still going to be unresolved; is that not correct?

Attorney General BROWNELL. The theoretical question, yes. We, as most lawyers do, I think, recognize that title is a bundle of rights and we propose that you take out of the bundle all the rights that are necessary for these States to administer and develop the natural resources in these properties and retain in the Federal Government all rights of sovereignty, the navigation rights, foreign affairs, national defense, and all other elements which are not necessary to the States to administer these properties.

Mr. HILLINGS. If that question should be left unresolved, do you not think it is going to give rise to great controversy at a later date, or do you have any recommendation as to further action that might be taken to try to meet that problem?

Attorney General BROWNELL. We cannot see any practical problem that is left unresolved. The big question is whether or not the States have the right to exploit and develop these properties so that they can use the natural resources there, and retain the income from them. We believe the bill can be so drawn as to make that perfectly clear. That is the point we are all interested in.

Mr. HILLINGS. Then your position is somewhat at variance with the position of the Secretary of the Interior on this question, is it not?

Attorney General BROWNELL. I do not think it is at variance with Secretary McKay's attitude. As he made very clear in his testimony, he is leaving the exact legal form of this transfer to the lawyers in the case, and we happpen to be the lawyers in the case for the Government. We believe that this is the proper way to do it, and that it will eliminate for the Federal Government, for the States, and for the private owners this question of the constitutionality of the transaction. It is very important to do that so that the development of these lands may not be held up by further litigation. There has been too much of that already.

Mr. HILLINGS. Recognizing that the Secretary of the Interior was interested in letting the lawyers work out some of the constitutional questions, I gathered from his testimony, that his recommendation was that the States should own the land within their historic boundaries.

Attorney General BROWNELL. I know he feels as we do that they should have all rights necessary to the development of the land.

Mr. HILLINGS. You also recommend, of course, that the statute should reserve to the United States the powers to regulate navigation, conduct national defense and international relations, and so forth. Those powers are always with the Federal Government, are they not? They are part of the constitutional powers that the Federal Government has, so even if the Congress should enact a quitclaim bill, it still would not take away from the Federal Government its power to control navigation and conduct national defense.

Attorney General BROWNELL. We want to make it extra clear.

Mr. HILLINGS. In other words, you want to be sure we repeat the guaranties already in the Constitution?

Attorney General BROWNELL. That is right. Every legal question that we can eliminate by the language of this bill, we are anxious to help you to do so.

Mr. HILLINGS. One other question. I know there will be other questions that will further develop this question of ownership. You say in the fourth point of your testimony that the Congress should by legislation provide that installations of the Federal Government within this area in question, the so-called submerged lands within the historic boundaries, should belong to the Federal Government. How far do you want to go on that? Suppose some agency of the Government, acting on the thought that existed previously that the Federal Government was going to control and maintain this submerged land area, built certain installations along the coast which might interfere with the States' development of these natural resources. Would the Federal Government, under your view insist upon maintaining those installations, or would there be some provision that the States could remove them, or perhaps some program of adequate compensation for the States?

Attorney General BROWNELL. We want the statute to preserve to the Federal Government any rights that it has legally acquired there.

Mr. HILLINGS. What is a State or municipality going to do when it finds, as in the case of Long Beach, Calif., where some of those installations may hinder the city and the State in developing the natural resources in the submerged land area? Is there going to be a program worked out where the State can request that those installations be removed or do you think that the Federal Government would insist on maintaining them?

Attorney General BROWNELL. I do not know the particular situation in Long Beach. I rather hesitate to comment on it without knowing more about the facts on it.

Mr. HILLINGS. I will not question you further, because I think there will be some testimony this afternoon on that point.

That is all at this time, Mr. Chairman.

Mr. GRAHAM. Miss Thompson, any questions?

Miss THOMPSON. In your opinion, is the title to the submerged land in the Federal Government at the present time?

Attorney General BROWNELL. The extent to which the courts have gone on that is to say that the Federal Government has the paramount rights.

Miss THOMPSON. But not complete autonomy?

Attorney General BROWNELL. When you go beyond that you do not have an authoritative court decision to back you up. It becomes a ques-

tion of opinion then. We believe that for the purposes of settling this long-standing controversy, all that needs to be done is to make clear in the statute that the States receive and retain all rights that are necessary in order to develop these submerged lands and retain the income from them. We think if it is phrased along that general line that it will establish the necessary working relationship between the States and the Federal Government.

Miss THOMPSON. When the States came into the Union, they acquired that right, did they not?

Attorney General BROWNELL. We believe that the most practical approach to it is to say exactly what the powers of each are and shall be in the future. If we can do that by eliminating some of this constitutional controversy just for the sake of controversy, that is what we are after. We want to get right down to the practical details of this, and that is, who has the right to develop the natural resources in this offshore property, and who has the right to retain the income from it. That is what we are trying to settle.

Now, let us say that in so many words in the statute that is our position, and we believe it is not necessary to go any further than that in order to solve this problem.

Mr. GRAHAM. Mr. Brownell, we will leave the King's loyal opposition for a while on that side, and go to this side. Mr. Curtis, of Massachusetts, have you any questions?

Mr. CURTIS. Thank you, Mr. Chairman.

I would like to ask the Attorney General a question. We in Massachusetts have not got this problem in an acute form because we have not got any tidelands oil, I am sorry to say; but we have got plenty of tidelands, and a lot of people in Massachusetts have been worried about filled in lands and other tidelands in Massachusetts, and claim that the theory of some of the Federal claims would hit us also. In fact, our attorney general or one of his representatives was here just the other day, and one of the Senate members of the Judiciary said that his claim was perfectly ridiculous, that the thing was perfectly clear.

My question may be an ignorant one, but the question is what is this historic boundary that you speak of as it relates to a State like Massachusetts? We did not enter the Union under any treaty with specific provisions. We happen to be one of the Thirteen Original States. Is it the old 3-mile limit, Mr. Attorney General?

Attorney General BROWNELL. Yes.

Mr. CURTIS. So under your suggestion anything beyond that would be where the Federal Government would have paramount rights?

Attorney General BROWNELL. It would have exclusive rights.

Mr. CURTIS. And that would be under the theory that when the Thirteen Original States joined the Union, they gave up any rights they might have had beyond the 3-mile limit?

Attorney General BROWNELL. That is right.

Mr. CURTIS. And what provision of the Constitution would that claim be based on?

Attorney General BROWNELL. That is a principle of law that antedated the Constitution.

Mr. CURTIS. What principle?

Attorney General BROWNELL. The 3-mile limit.

Mr. CURTIS. They have gone beyond that in recent years. During the prohibition years, I was an assistant district attorney, and the Congress saw fit to pass laws going out beyond the 3-mile limit. They got out to 10, and then they got out to the distance of all kinds of things. If that is part of the jurisdiction that the shoreline has, I am just wondering when these Thirteen Original States gave up any of that to the Federal Government, considering the fact that there is a specific amendment that anything not given up was retained.

Attorney General BROWNELL. I am somewhat familiar with those prohibition cases, too, and I see nothing in my position inconsistent with them since they involved the police power of the Government. The disposition of rights as between the Federal Government and the States, I think, rests on a different principle than the ownership of the offshore land itself.

Mr. CURTIS. If there are any rights beyond the 3-mile limit. My question is, When did they pass, and how did they pass to the Federal Government?

Attorney General BROWNELL. As I say, under the provision of the Constitution. You are getting into a little different field than we originally planned to discuss today. But I think some of the powers that come to the Federal Government come from the defense power, some from the commerce powers, and other specific powers that have been granted in the Constitution. They have been refined from time to time by action of Congress and court decision. But I would say that the authority comes partially under the war power and a number of other powers granted to the Federal Government. These powers are more directly involved in your question than in the issue we are discussing primarily today. For that reason I think that there would be no interference whatsoever, if this legislation is passed, with the sort of power that you are talking about, the control of shipping and navigation and going out after rumrunners, or anything like that. That all comes primarily under other constitutional provisions.

Mr. CURTIS. Mr. Attorney General, if, foreign commerce and national defense and those things are what the Supreme Court meant by paramount rights, we will have no criticism.

Attorney General BROWNELL. That is part of it. There is no doubt about that.

Mr. GRAHAM. Are you finished, Mr. Curtis?

Mr. CURTIS. Yes, sir.

Mr. GRAHAM. Mr. Meader of Michigan, have you any questions?

Mr. MEADER. Yes, sir. Mr. Brownell, I might state that I am one of those who voted against H. R. 4484 in the 82d Congress. I did so on the ground that the question involved was a legal question which had been settled by the decision of the Supreme Court. I did not think it was proper for the Congress to assert judicial powers. If the title or the rights or whatever you want to call it in these lands in question was settled by the Supreme Court to be in the Federal Government, I could not then justify any donation of Federal properties to individual States or the citizens of those States. That was my reasoning in essence.

I notice nothing in your statement that comments upon the Supreme Court decision or the propriety of Congress overruling the Supreme Court decision. What is your feeling on that subject?

Attorney General BROWNELL. We believe that there is nothing inconsistent between the so-called paramount rights doctrine of the United States Supreme Court, and the solution that we are proposing here under which certain rights, to wit, the rights to develop this submerged property, are clearly placed in the States. I say that because in our opinion the Federal Government would be retaining its paramount rights to the extent defined in the Supreme Court decision, because it would have full navigation rights, full powers of national defense, full rights to deal with that property in all matters affecting international relations or foreign affairs. Those are the principal paramount Federal rights we believe that the Supreme Court had in mind when it used that language. We see nothing inconsistent, therefore, as long the the statute makes it clear that those rights are retained in the Federal Government, for the Federal Government also to make it clear that the States have these limited rights to the development and exploitation of the natural resources in the offshore properties, so long as it is within their historic State boundaries.

Mr. MEADER. If we can confine our discussion for the moment to mineral rights in the land underneath the ocean, did not the decision of the Supreme Court hold that those mineral rights were in the Federal Government as contrasted to the State governments?

Attorney General BROWNELL. I would point out that the Supreme Court itself in its own decision made it pretty clear that it was up to Congress to decide what to grant the States from its paramount rights. That is exactly the purpose of this legislation, as I understand it. The Congress has the discretion, the authority, and the power to draw the line. The Supreme Court has never said that the Federal Government had nonalienable rights in this offshore property. In fact, by using other terminology, they made it quite clear that they thought it was not only property rights, but also sovereignty that were vested in the Federal Government. By implication they said about as clearly as you could want said that there were rights other than sovereignty which the Congress has the right to dispose of. We believe that if Congress disposes of these particular rights of exploitation and development of the natural resources, that the constitutionality of that legislation would be upheld, and that that would not interfere in any way with the paramount rights referred to in the Supreme Court decisions.

It is a very common concept which I tried to describe very briefly a minute ago in response to a question from Congressman Hillings, that it is not accurate to think of title to property being an indivisible whole. It is a bundle of rights. It is very often divided. It is divided in the case of the ordinary lease. Your lessor retains certain rights and your lessee gets certain rights, and roughly speaking, that is the sort of thing we are talking about here. It is not a lease agreement, but it is a division of the rights of property between the Federal and State Governments affecting this area. We believe that the division we suggest here is a perfectly proper one from a constitutional standpoint.

Mr. MEADER. The question really is one of the place where the revenue should go from the point of this natural resource. That you are perfectly satisfied to have to go to the States?

Attorney General BROWNELL. From a legal standpoint we think the Congress has the power to do that.

Mr. MEADER. And do you regard it as a donation of Federal property to the States?

Attorney General BROWNELL. It is up to Congress to make the policy decision. If you make that policy decision which gives the right to develop the resources and to retain the income from them, we believe that the courts will uphold you in that policy.

Mr. MEADER. In other words, it is not a reversal of the Supreme Court's decision, but rather a transfer of some Federal rights to the States?

Attorney General BROWNELL. It is a policy determination of the way the rights are to be divided, that is right. The statute itself will divide which rights shall belong to the States and which rights shall belong to the Federal Government.

Mr. GRAHAM. Mr. Miller of New York.

Mr. MILLER. I have just one question. I am still curious about the position taken by Mr. Hillings in regard to the ownership aspects of this proposition. Do we not first have to decide the legal question before we can constitutionally start dividing the rights? In other words, my point being when you are talking about a lease, that is a voluntary division of rights. There is vested ownership in the lessor. Do we not first have to decide here as to whether or not the Federal Government or the States actually own title to the land before we can legislatively decide to give to the States certain rights incidental to ownership, that is, the right to develop the mineral resources, without first resolving the ownership question?

If constitutionally the Federal Government owns the lands, how could we constitutionally give the right to the States to develop minerals owned by the Federal Government? Conversely, if the States own the land, why do we not say so, and eliminate the possibility of the question again being debated in the courts without a clarification by Congress as to what our position is? What constitutional right have we by law to give the States certain rights and the Federal Government paramount rights without first deciding who owns the land to begin with?

Attorney General BROWNELL. You have an express constitutional right to dispose of public properties.

Mr. MILLER. What property is it? Is it the property of the States? Has the Federal Government no power except what the States gave it? If the States never ceded any of this property to the Federal Government, then it belongs to the States.

Attorney General BROWNELL. Maybe I can clarify our position on it this way, Congressman. The question of how the title to this property should be divided between the Federal and State governments is within the powers of Congress, just as it is for other public properties. Now, it is not a very accurate legal way, it seems to us, to think that you settle everything by saying who has the title. It is a broader question than that. There are an awful lot of property rights involved both in ownership of property and national sovereignty. That is what makes it a little more difficult than for inland properties. You have this decision of the Supreme Court which does not go perhaps as far as you would like in defining what the essential rights of the Federal Government in this property are. It uses the language "paramount rights." Some agency has to make a further policy deter-

mination, and we believe that that proper agency is Congress. In fact, we believe that the proper interpretation of the Supreme Court decision is that it recognizes that Congress has that right. The simplest way to exercise the rights of Congress, it seems to us, is to face squarely the issue that has been raised here, and that issue is who should have the right to operate and exploit and develop this property and to retain the income from it. Those are the elements of ownership here in which we are specifically interested.

We believe that to save controversy and litigation, the language of this statute should be directed squarely to that problem and if you say in the statute that the States shall henceforth have all the necessary powers and rights to develop the property and retain the income from it, you will settle this controversy. It is unnecessary and unwise, from the standpoint of stirring up litigation, to raise theoretical problems that might be subject for debate in a law-school competition, or something of that sort.

But it is not necessary to go into those problems. This has been such a long drawn-out controversy with serious and adverse effects on the national interest because this property is not being developed—it has rich resources which are important for the national defense—we believe it is our duty in the Department of Justice to suggest a legal way in which this very important problem can be settled without raising a host of unnecessary side issues.

Mr. MILLER. May I add just one question? Supposing after the passage of the legislation in the form recommended by you, the Supreme Court should decide in litigation that the ownership of the submerged lands belonged to the Federal Government, then where would we be on the constitutionality of the rights of Congress to pass on the rights of States to develop resources on land owned by them?

Attorney General BROWNELL. I think the question to be decided by the Supreme Court would be whether Congress had alienated any portion of the Federal paramount rights in this property which it had no power to transfer. That is the issue which would be raised in any further litigation. What we are saying as clearly as possible this afternoon is that we believe that if the Congress grants these rights, that we are talking about, to the States, or makes it clear that they belong to the States, that the Supreme Court will hold that the sovereign rights of the Federal Government in this property have been protected.

Mr. MILLER. Thank you.

Mr. GRAHAM. Mr. Robsion of Kentucky.

Mr. ROBSION. No questions, thank you.

Mr. GRAHAM. Mr. Hyde.

Mr. HYDE. Mr. Attorney General, you say that the statute should retain to the United States its powers to regulate navigation, conduct the national defense and conduct international relations in the so-called State areas. Does not the United States have those powers with respect to any property in the United States, regardless of whether it is owned by the Federal Government, the State or the private individual?

Attorney General BROWNELL. That is a pretty broad question. We certainly think it has with respect to the lands now under discussion.

Mr. HYDE. Whether it is owned by the State or the Federal Government.

Attorney General BROWNELL. Yes. We just want the statute to say it in so many words. The thing we do not want to see happen is to leave any reference to these powers out of the statute, and then have somebody raise the question that some language in the statute is so broad that it might take away some of these powers from the Federal Government. We believe, therefore, it is important to have this express reservation right in the statute so that nobody can ever say that Congress intended that any part of these paramount Federal powers have been ceded to the States by this legislation. Do I make myself clear?

Mr. HYDE. Then in effect what we are saying is that we are not saying just what right, title, or interest the United States has in his property, but whatever it is, to the extent of the development of oil, we are granting it to the States?

Attorney General BROWNELL. That is right.

Mr. HYDE. Then under that concept, we would not be disturbed at all by any decision of the Supreme Court, would we?

Attorney General BROWNELL. We think that you would not. We think it would be upheld by the Supreme Court.

Mr. HYDE. Thank you.

Mr. GRAHAM. Mr. Forrester of Georgia.

Mr. FORRESTER. No questions.

Mr. GRAHAM. Mr. Jones.

Mr. JONES. No questions.

Mr. GRAHAM. Mr. Hale Boggs of Louisiana has a bill of his own. Do you care to speak on it now?

Mr. BOGGS. No. I will wait until these gentlemen get through.

Mr. GRAHAM. Mr. Willis of Louisiana.

Mr. WILLIS. Mr. Attorney General, if I understand correctly, what you propose would be to grant the several States those rights and powers which would authorize the States to explore for the minerals. Is that correct?

Attorney General BROWNELL. That is right, and retain the income.

Mr. WILLIS. And retain the whole of the income within the historic boundaries.

Attorney General BROWNELL. That is correct.

Mr. WILLIS. Now, in one passage of your testimony, I made a note that you described such rights as being limited. In other words, the Government would be granting to those State those limited rights necessary for the development of the natural resources in the submerged lands within historic boundaries. So as I see it, you do not reach the question of title and your proposal would not grant to the States title or ownership, as we lawyers know it, in these historic boundary areas; is that correct?

Attorney General BROWNELL. That is correct.

Mr. WILLIS. Now, you talk a great deal about the paramount rights defined in the Supreme Court decision. I understand that to that extent you are defending the Supreme Court decision.

Attorney General BROWNELL. I am trying to interpret it, Congressman.

Mr. WILLIS. One thing is certain, and that is, you are not asking us to overrule it.

Attorney General BROWNELL. That is correct.

Mr. WILLIS. Now, with regard to the paramount rights, the Supreme Court went further and said that the issue presented to the Court involved something more than mere property right. Do you go along with the Supreme Court on that?

Attorney General BROWNELL. Sovereignty in addition. They had a couple of Latin words, I think, imperium and dominium.

Mr. WILLIS. And you would leave under your proposal the question of title or ownership undecided?

Attorney General BROWNELL. I would prefer to state it this way, Congressman, that we make it more definite in our proposal as to just what rights of ownership the States should have. To me it is a much more satisfactory and clear statement of what the States should have than to just say a title, because it is quite clear to us from testimony of some of the witnesses before the Senate and House committees considering this legislation that a constitutional point would be raised against the bill if a blanket quitclaim title were granted to the States over this property. It seems to us an unnecessary point to litigate because it is so simple, in our opinion, to do it this other way and give the States what they want here, and what they are entitled to, in our opinion, and avoid that constitutional question which might be raised, and it has been indicated that it will be raised, if the statute is drawn so as to give a blanket quitclaim title.

Mr. WILLIS. I know Mr. Wilson will propound questions to you, and I do not want to invade his line of examination. I think he will point out to you that the bill as drawn, or some of the bills as drawn, would carry out probably what you have in mind, because some of those bills speak not only of restoring titles, but also of delegating authority. As I say, I will not invade his thoughts upon that.

Attorney General BROWNELL. I might say right there, sir, that it was not my purpose this afternoon to analyze the terms of any specific bill.

Mr. WILLIS. But to come back to your own position, if I understand it, you in the first paragraph of your statement point out the area of policy that you concur in with regard to the views of the Secretary of the Navy and the Secretary of the Interior. That covers two paragraphs, and at that point you stopped reading, or so I understood, and you indicated that from there you depart in your approach. Did I understand you correctly?

Attorney General BROWNELL. No, I did not mean to indicate that. Whether my language indicated that, it certainly was not my intention. What I intended to do from there on was to emphasize the six general legal points with which we have a special concern, where we thought we might be of some help to this committee in stating our views as to the legal principles that should guide you in drafting the statute in its final form.

Mr. WILLIS. I have just a couple more questions, Mr. Chairman.

You have spoken of ownership as involving a bundle of rights, and I agree with you, as a lawyer. What you do by your advocacy here is to give a little bit of that bundle or that package to the States, but whatever is left—even if that means title—is retained in the United States; is that correct?

Attorney General BROWNELL. That is right. I just would not want to go along with the description that you give, that this is a little bit. A part; let us put it that way.

Mr. WILLIS. I could not confuse you if I tried, Mr. Attorney General. I am not trying to do it.

Attorney General BROWNELL. I know that.

Mr. WILLIS. But I do want to get in my mind—and if I am incorrect, I would like you to correct me—that you do not propose that the States shall be vested with title and ownership to the areas involved up to the limit of their historic boundaries; that is correct, is it not?

Attorney General BROWNELL. That is correct.

Mr. WILLIS. Now, on the second page of your statement, you say this:

> An actual line on the map dividing the two areas of submerged lands should be drawn by Congress in the bill to eliminate much expensive and unnecessary litigation.

And in your testimony you added a word that it should be "right" in the bill.

Now, are you advocating that we should actually annex a map?

Attorney General BROWNELL. Or refer to it. Have it deposited in a public place so it will be specifically referred to.

Mr. WILLIS. You would want a map to be made a part of the bill?

Attorney General BROWNELL. In legal effect.

Mr. WILLIS. Or by reference.

Attorney General BROWNELL. That is correct.

Mr. WILLIS. Where would that map be: in the Interior?

Attorney General BROWNELL. You could deposit it with any qualified agency of the Federal Government; yes.

Mr. WILLIS. Now, do you realize the delays involved in that connection, that is, in the preparation of such a map? For instance, let me call this to your attention. As the crow flies, the coast of Louisiana is probably 300 or 400 miles. I am told with all the indentations it is over 6,000 miles. Now, are you proposing that we should delay legislation until we can draft a map along the whole coast of the Great Lakes, the Atlantic Ocean, the Pacific Ocean, and the Gulf of Mexico?

Attorney General BROWNELL. Let me put it this way, Congressman. We think that with the attention of you experts centered on this thing now after the careful study that has been given to it for a number of years that that could be done rather promptly. I think I express the opinion of everybody around this semicircle here. This thing should be settled now so we can go on with the development of these properties.

Now, if you do not do that, then it seems to us you are going to open up the door for a lot of litigation, as to whether a particular oil well is this side or that side of a line that you describe in words. You have to describe the line anyway. It seems to me that it is just as simple and a good deal more accurate to do it by drawing a line on a map than it is to try and describe it by words. I am confident that if it is done that way, that the Department of Justice will have lots less work in the years to come in settling these disputes over just exactly where the line was meant to be drawn.

Mr. WILLIS. You have used words in your statement that I thoroughly agree with, that what we seek is to establish the limits of the State up to the end of their historic boundary. Do you know of a better criteria or a better approach than the historic boundary?

Attorney General BROWNELL. We think we have one, yes; and that is to draw the line on the map.

Mr. WILLIS. Whatever that line would be, it would have to track history, would it not? For example, let me put it this way: We cannot in the case of Louisiana know what our historic boundary is without going to the act of Congress admitting Louisiana and the treaty made with France just a few years before, and so forth.

In the case of Texas it is the same thing. The Republic of Texas had a treaty with the United States. If that treaty of Texas says three leagues, you cannot conceive, can you, that we could constitutionally make it less?

Attorney General BROWNELL. Let me put it this way to you, Congressman.

Mr. WILLIS. One question, and then you can spread out your thoughts.

Attorney General BROWNELL. Yes.

Mr. WILLIS. What I mean is this: Whether we have a map now or later that map would have to be guided by the historic documents; is that not correct?

Attorney General BROWNELL. Instead of doing it piecemeal, we would like to settle it all now, if we can. Maybe we are putting up to you here something that is too much of an ideal, but all lawyers have had enough experience with land disputes to know that you get a lot farther in the end, and both parties win when a definite decision is reached. When you are fighting over whether a tree or particular flower garden is in yours or your neighbor's lot, you can argue until kingdom come about it. But if you do not sit down sometime and settle it, you are not going to have the enjoyment of the property.

We believe that ordinarily both neighbors are better satisfied when you draw that line and settle the property dispute. That is what we are advocating here.

Mr. WILLIS. I know you want to proceed with rapidity. I know you want to get this legislation over with, and to that extent you and I are 100 percent in the same boat.

Attorney General BROWNELL. I am sure of that.

Mr. WILLIS. But if, as I can see, your proposal about a map should involve delays that I can visualize would mean that we could not act on this legislation for a long time to come, then you would not insist upon our carrying out that detail which you have in your mind.

Attorney General BROWNELL. I hate to give up on it without a real try at it, to see if it cannot be done. That is our point.

Mr. WILLIS. That is all, Mr. Chairman.

Mr. GRAHAM. Mr. Wilson, before you begin, Mr. Forrester has a question he would like to ask.

Mr. FORRESTER. I would like to ask the Attorney General, you are not saying that you accept the Supreme Court decision, but what you are trying to do is that you are suggesting some legislation that would not do violence to it?

Attorney General BROWNELL. That is a more accurate description.

Mr. FORRESTER. That you would operate in harmony.

Attorney General BROWNELL. That is a more accurate description.

Mr. FORRESTER. The idea that has occurred to me is this, that with the statement that the Federal Government does have paramount

powers, suppose this 83d Congress should follow you in your suggestion, and they should yield some of these rights which the United States Supreme Court says belong to the Federal Government, what is puzzling me, just taking snap judgment, what would prevent the 84th Congress from withdrawing these rights from the States?

Attorney General BROWNELL. I suppose common sense would be one reason.

Mr. FORRESTER. I am asking that question in all sincerity. If they could yield it, why could they not withdraw it? In other words, would this matter be settled if you followed it?

Attorney General BROWNELL. For all practical purposes, we believe it would.

Mr. FORRESTER. Sometimes we are not quite practical, so I am wondering, would the Congress have the right to withdraw it if they saw fit?

Attorney General BROWNELL. I do not believe I would care to comment on that, Congressman.

Mr. GRAHAM. Mr. Wilson.

Mr. WILSON. Mr. Attorney General, after hearing you read your statement, I am in agreement with you on a good deal of it, and I think many, if not most of the bills that have been introduced, carry out largely the things you talk about, except possibly installations by the Navy. I think possibly some of the bills, or most of them, carry words that would protect the Federal Government in that field.

But I am not clear from your testimony on just what language would create a title so that any coastal or inland State could lease to a private lessee that estate so it could be developed, either gas, oil, or any kind of mineral? Just what kind of a legal situation would we have if the bill passed by this Congress in the event it is passed, and did not carry title with certain reservations with regard to navigation and national defense, and that is all in the bill already.

Attorney General BROWNELL. That is a perfectly proper question, Congressman. We discussed it at some great length yesterday before the Senate committee which is considering these bills, and Senator Holland raised the same point. I do not know how much time you have this afternoon, but inasmuch as it was discussed there fully, I would like to go over it with you, if I might get the transcript of that at your convenience. We tried to make it clear at that time—as clear as possible—that these developmental rights that we are talking about here would be phrased in the bill in such a way that it would be very clear that for the purpose of credit facilities, mortgaging and so forth, all the powers and rights that you would need for development, either private development or State development or municipal development, or any other public organization, would be fully protected, and it would be clear right in the bill that those belong to the jurisdiction of the States.

Mr. WILSON. But it would have to create some kind of a legal title before that could be done. If we did not transfer title, what would be transferred, an easement for a limited time, a lease for a primary term? It would have to be something.

Attorney General BROWNELL. It would have to be very clearly spelled out, I agree with you on that. I want to emphasize to you even at the risk of repetition the reason for this suggestion.

In the Supreme Court decision in this matter, several of the judges have taken the position that in this particular kind of offshore property—they phrase it, I think, the sovereignty and the property titles coalesce into an indivisible whole—and that raises the constitutional question which some people have been very quick to seize upon. If that is so, then is there anything that can be granted to the States here? That is a serious point which everybody must conjure with as long as the Supreme Court has made a statement of that kind.

Now, we think that that can be minimized, if not eliminated by phrasing it this other way.

Mr. WILSON. I fear, though, that in trying to eliminate the constitutional questions involved—I think we would get into deeper water in trying to describe an estate that would be passed to all the States so that they could operate and claim the revenue. I think that possibly would give rise to more litigation than would a straight clear quitclaim to the historical boundary of the States, and a quitclaim from the contiguous States to the Federal Government, with any reservations that the Congress sees fit to put on it, to the Continental Shelf. That would seem to me to create a title which could be operated upon by the States on the one hand, and by the Federal Government outside the State boundaries on the other.

Attorney General BROWNELL. It is a very thoughtful comment. It goes right to the essence of our suggestion. I can only say this, that I believe if we can be of any service to you in developing the language to carry out our suggestion, we believe we could convince you that it would not create the kind of difficulties that you envisage there, and that the language could be orthodox enough to satisfy real estate lawyers, banks, or anybody that is involved in credit transactions dealing with the property. I agree with you that it would depend in large part upon the clarity of the language with which the bill was drawn.

Mr. WILSON. Most of these bills introduced in the House—and many of them in the Senate—are identical in their language. These bills have been worked on for some 14 or 15 years by real experts in that field, by the several Attorneys General of the United States, and the various States, by oil attorneys and by constitutional lawyers—and I will not take but just a few minutes—so I wanted to read the language in the bill which I have introduced, H. R. 641—and I might add it is patterned after the Walter bill with a few amendments that I deem necessary:

Rights of the States.—It is hereby determined and declared to be in the public interest that (1) title to and ownership of the land beneath navigable waters within the boundaries of the respective States and the natural resources within such lands and waters and (2) the right and power to make, administer, lease, control, develop, and use the said natural resources all in accordance with applicable State law, be, and they are hereby, subject to the provisions hereof, severally recognized, confirmed, established, vested in and/or delegated to the respective States or the persons who were on June 5, 1950, entitled thereto under the law of the respective States in which the land is located and the respective grantees, lessees or successors in interest there have been, and the United States hereby releases and relinquishes to said States and persons aforesaid all right, title, and interest of the United States, if any it has.

This quitclaims whatever interest they have. If they have none, which we claim they certainly do not in Texas' historical boundaries, and I am sure that is also true with regard to the historical boundaries of the other coastal States—

in and to all said lands, moneys, improvements, and natural resources, (2) the United States hereby releases and relinquishes all claims of the United States, if any it has, arising out of any operations of said States or persons pursuant to State authority upon or within said lands and navigable waters.

The next paragraph protects the surface rights of the Federal Government, the navigation, and in case of national defense.

That does not only quitclaim. That in three or four different ways relinquishes and transfers any or all right it might have and in all the words that could describe the operation. They are transferred to the State in that way.

Now, let me ask you this in view of that language. Do you not think that language that is that all-inclusive, that comprehensive, would have a better chance of standing up against a suit with regard to the constitutionality of this bill than any new device that we might create, regardless of the words used. Because this not only quitclaims, it delegates and gets rid of all the claims of the United States Government. The same language, of course, to end this proposition entirely could be used with regard to the Continental Shelf outside, so that there could never be any claim from any State challenging the legality of the Federal Government's title to the Continental Shelf which is approximately eight-tenths of this whole area.

Do you say that you could fix words more conclusive than that?

Attorney General BROWNELL. Naturally we think we have an improvement on that or we would not have made this suggestion. That is the essence of our suggestion here. We have had the benefit, of course, of hearing the testimony on both sides of this in connection with the current hearings. There have been these new questions raised. It is obvious that some of these witnesses expect the issues to be settled by litigation. It is in connection with that and in an endeavor to minimize that litigation that we have made this suggestion. So I do have to say very frankly to you that our proposal is a bit of an improvement over that.

Mr. WILSON. Do you think words less than a quitclaim would override, if you want to say it, or whatever other word might be used, with regard to the Supreme Court decision? In other words, if definite, all-inclusive words were not used, the Supreme Court might still say they still do not override the paramount rights.

Attorney General BROWNELL. The difficulty here comes, as you are implying there in your question, with the fact that a phrase has been used here by the highest court which is one that is not familiar to real estate lawyers, and to that extent it does raise a new question. It is in the attempt to solve that that we have done this thinking and produced this suggestion. I admit that it is not one that is familiar to real-estate lawyers, but the reason that it is not is because the court decision itself uses new phraseology, when they talk about paramount rights, imperium, dominium, coalescence.

Mr. WILSON. That is a new term.

Attorney General BROWNELL. That is right, and therefore it calls upon us to meet that, and that is the origin of our suggestion.

Mr. WILSON. I will make this brief, Mr. Chairman.

Let me ask you this, Mr. Attorney General. If this bill is passed dealing in a comprehensive way with both the historical boundaries of the States and the Continental Shelf, and title or ownership is settled in the respective parties, the Federal Government and the State

governments, as you know, we have no laws to prevent waste in the Federal territory now, and one would have to be passed, we have no laws to prevent drainage and many other problems to be met, geophysical explorations that are exercised by the States under their conservation and police power law, and since you did not testify on this bill before, let me ask you, what is your opinion or what would be your opinion with regard to both the inside boundaries of the States and in the Continental Shelf with regard to the application of State laws in the contiguous States, both to prevent waste, to prevent drainage, to protect fish, to protect the public welfare, so long as the Federal Government did not legislate in that field, or until it did legislate?

Attorney General BROWNELL. We have felt that inside the line that the State police power would prevail. That outside the line, the question ought to be settled in this bill. Our solution for that would be that the Secretary of Interior, if he is going to be the representative of the Federal Government who will administer the property outside of the line, should be given a pretty broad discretion in the development of managment policies there.

Mr. WILSON. To put into operation conservation laws and various other laws that would be needed badly.

Attorney General BROWNELL. That is correct.

Mr. WILSON. You have not drawn up anything that you would propose in certain words proposing any such legislation, have you?

Attorney General BROWNELL. No; we have not, although I believe when we were before the Senate, they asked us for some assistance on that. Anything we can do along that line for this committee, we shall be very glad to do.

Mr. WILSON. I would like personally, and I am sure the rest of the committee would like to have your thinking on that subject.

Attorney General BROWNELL. I will make a note of that.

Mr. WILSON. How about with regard to the map and I will only touch that lightly. With regard to what Mr. Willis said, the coastline, bays, and all that type of thing which enlarges of course the coast line, do you think any description could be more nearly followed than 3 miles from low water mark or high water mark? Low or high water mark can be absolutely established, can it not?

Attorney General BROWNELL. Judging from the length of litigation presently in the Department of Justice on the matters analogous to that, we think that you could do better.

Mr. WILSON. Of course, Mr. Attorney General, being from Texas I have had a little experience with oil field legislation. All the courts in Texas, especially anywhere within 200 miles of an oil field, are covered up with oil lawsuits until the titles were all settled. But that runs out after a while. Vacant land and every other kind of claim, bad abstracts and various things. You will have lawsuits as long as you have oil or valuable property. Of course, we want to minimize them as much as possible but I do not think we can minimize them too much.

Attorney General BROWNELL. That is the only point we have in mind. We certainly do not say if our suggestions are adopted there would not be any more litigation. That would be very farfetched.

Mr. WILSON. In other words, if it would take several years to draw a map delineating an area, and we let this bill sit here——

Attorney General BROWNELL. I do not think there is any possibility of it taking that long, no.

Mr. WILSON. I believe that is all, Mr. Chairman.

Mr. GRAHAM. Mr. Feighan.

Mr. FEIGHAN. Mr. Attorney General, I would like to direct your attention to the Supreme Court decisions, namely, the Louisiana, California, and Texas cases, with which you are familiar. I think the Supreme Court held, first, in all three cases, that the States do not own the marginal belt. You agree with that, of course?

Attorney General BROWNELL. I do not want to take your language for it. You go ahead and complete your statement.

Mr. FEIGHAN. All right. Secondly, in the California case, the Supreme Court has held that the United States has paramount rights and full dominion of the lands in the belt, with which I believe you will agree.

Attorney General BROWNELL. Go ahead.

Mr. FEIGHAN. Thirdly, in the Texas case, the Supreme Court held that imperium, meaning jurisdiction, and dominium, meaning ownership, coalesce in the national sovereign; is that not correct?

Attorney General BROWNELL. I do not like to use your language to interpret the Supreme Court decision.

Mr. FEIGHAN. You have the idea that I am endeavoring to make?

Attorney General BROWNELL. Yes.

Mr. FEIGHAN. Which I think is a very proper and unchallengeable interpretation.

Mr. CELLER. Here is the language. I am reading from the Supreme Court decision in the Texas case. I am reading from the report of this committee on page 66:

And so although dominium and imperium are normally separable and separate, this is an instance where property interests are so subordinated to the rights of sovereignty as to follow sovereignty.

Mr. FEIGHAN. Thank you, Mr. Celler.

Mr. Attorney General, I would like to ask this question: Do you not believe that one reason why proprietary language was not used may be that the lands underlying the ocean were international law, not merely local law must be considered?

Attorney General BROWNELL. I do believe that.

Mr. FEIGHAN. In other words, that is a jurisdiction that far exceeds and goes beyond the rudiments of common law.

Attorney General BROWNELL. They were emphasizing the peculiar nature of this property, that is correct.

Mr. FEIGHAN. In my opinion the Supreme Court has very definitely stated that the lands within the marginal belt underneath the water belong to the Federal Government. Then the question is only one of whether or not Congress, which has the right to dispose of property belonging to the Federal Government shall, one, either retain that property in whole or in part for the Federal Government, meaning all the 48 States, and all the citizens and inhabitants thereof, or secondly, give any portion of it away, and I say give it away, because that is their prerogative and privilege, in either its entirety or any small portion to any of the individual States. I think that is the whole crux of the situation. It seems to me that you have come here—and I am sure that the committee is very grateful for your coming here—

and stated that you feel that a controversy has arisen, but I say that the controversy has been settled by the Supreme Court decisions. What is considered to be in controversy has already been decided by the United States Supreme Court to be the property of the Federal Government. You say—I think I am stating this correctly—that there has been some controversy with reference to this ownership, and let us settle it by piecing out this much to the States and this much to the Federal Government.

Attorney General BROWNELL. I think that is an accurate statement of the difference between your opinion and mine in this matter.

Mr. GRAHAM. Is that all, Mr. Feighan?

Mr. FEIGHAN. Yes.

Mr. GRAHAM. All right, Mr. Celler. Mr. Celler cannot be here tomorrow.

Mr. CELLER. Mr. Attorney General, on last Thursday, I believe it was, your Cabinet colleague, Mr. McKay, spoke of "restoring to the various States the coastal offshore lands to the limits of the line marked by the historical boundaries of each of the respective States."

Now you come before us today and you say:

> My recommendation would mean in legal terms that instead of granting to the States a blanket quitclaim title to the submerged lands within their historic boundaries, the Federal Government would grant to the States only such authority as required for the States to administer and develop the natural resources.

Did you and Secretary of the Interior get your signals crossed, because there is a glaring inconsistency between those two statements. How do you reconcile them?

Attorney General BROWNELL. I would like to comment on that, because I do not want there to be the slightest bit of misunderstanding there. Secretary McKay and I, to the best of my knowledge, agree 100 percent on our attitude toward this legislation. He, however, has made it clear in his own testimony, and to me personally, that when it comes to the legal phraseology of this bill, in order to carry out the policy purpose which he has in mind, he would prefer that the Department of Justice carry the burden. On the general policy, I think there is no difference between his thinking and mine.

Mr. CELLER. But it is very important as to what you mean, and I was very particular in my question directed to Mr. McKay. I said to him, under the Supreme Court decisions there was a definite conclusion, to wit, that the Federal Government had no title to these lands, and therefore how could the Federal Government transfer that which it did not have. How could the Federal Government alienate that which was not its to dispose of? I was very careful on making my position plain by those questions to Mr. McKay and he persisted, particularly as a result of the interrogation of our distinguished colleague from California, that he would quitclaim to the States.

Now, I say that while it may be true that he is leaving the legalities to you, you now say that there should be no quitclaiming; is that correct?

Attorney General BROWNELL. We think that we have an improvement on that; yes.

Mr. CELLER. Not that you have an improvement. You agree of course with what the Supreme Court said, that there was not title in the Federal Government?

Attorney General BROWNELL. I do not want to be understood as paraphrasing the Supreme Court decision in that way; no, sir.

Mr. CELLER. You do remember when the decree was presented, it contained a provision to the effect that the Federal Government had title, that portion was stricken out of the decree. Mention is made of it by Justice Felix Frankfurter, which I read into the record of the other day, that the Federal Government had no title, and therefore that provision concerning title in the Federal Government was stricken from the decree. But I still see a glaring inconsistency with what Mr. McKay said and what you say today.

Secondly, you say that there should be established a line of demarcation between the proposed areas of Federal and State control on the Continental Shelf. Mr. McKay was discreetly silent on that subject. What are his views on that, if you know?

Attorney General BROWNELL. I think that is one of the things that he expressly left to the Department of Justice to cover, because it is primarily legal in its nature.

Mr. CELLER. Now, while we are on the question of historic boundaries, have you read carefully, Mr. Attorney General, any of the bills, particularly section 4, entitled "Seaward Boundaries" of any of the bills that have been offered? Have you read the verbiage?

Attorney General BROWNELL. I have read some of the bills, Congressman. I stated, I think a little earlier perhaps before you came in, that I would prefer if it meets the necessities of the occasion not to comment on any of these particular bills, but rather to make clear to the committee the six legal principles which we think should be incorporated in any final draft of legislation.

Mr. CELLER. I think there are involved in the verbiage of section 4 very decidedly fixed principles, and I will read what section 4 says. It is not long.

Mr. GRAHAM. Whose bill?

Mr. CELLER. This is from the Walter bill. Practically the same section 4 is found in all the bills. It is entitled, "Seaward Boundaries":

> Any State which has not already done so may extend its seaward boundaries to a line 3 geographical miles distant from its coastline, or in the case of the Great Lakes, to the international boundary of the United States. Any claim heretofore or hereafter asserted either by constitutional provision, statute, or otherwise indicating the intent of a State so to extend its boundaries, is hereby approved and confirmed, without prejudice to its claim, if any it has, that its boundaries extend beyond that line. Nothing in this section is to be construed as questioning or in any manner prejudicing the existence of any State's seaward boundary beyond 3 geographical miles if it was so provided by its constitution or laws prior to or at the time such State became a member of the Union, or if it has been heretofore or is hereafter approved by Congress.

So that on general principles, there is a provision here to the effect that the line may go beyond the historic boundary; is that not correct, from the reading of this?

Attorney General BROWNELL. From your reading of it, I would say that is what Congressman Walter was trying to get at there.

Mr. CELLER. Therefore, the line that would be drawn would not be a fixed and immutable line; it would be subject to changes; would it not?

Attorney General BROWNELL. In our opinion it would be perfectly proper for Congress, and advisable for them, to draw a definite line

here which would eliminate a great deal of litigation which might otherwise ensue if that line were merely described in words.

Mr. CELLER. I hate to say this, Mr. Attorney General, because I have an affectionate regard for you and very high opinion of your abilities, but I think it is very naive to say that line could be drawn by Congress. I think we would be arming ourselves with a sea of troubles if we attempted anything like that. As Mr. Wilson, the gentleman from Texas, says, it would take until kingdom come until you could satisfy the various contending interests as to where that line should be drawn.

Now, for example, the State of Texas through its Mr. Giles, testified here to the effect that in 1947, May 25, the State of Texas, through its legislature, said as follows:

> The Gulfward boundary lines of all the counties of this State bordering on the coastline of the Gulf of Mexico are hereby fixed and declared to be the Continental Shelf of the Gulf of Mexico.

There you have one State which says it controls and owns the lands and treasures thereunder clear to the Continental Shelf. If you want to satisfy Texas, it would be a simple matter to draw a line around the Continental Shelf. That might not satisfy other interests. Then you would have a devil's own time trying to reconcile those contending interests. How could we in Congress draw such a line? I fear we are buying a kettle of fish.

Attorney General BROWNELL. I must admit that you have to have the will to do it in order to do it.

Mr. CELLER. Not the will only, but you must have the wisdom of a Solomon to do it. I cannot conceive how we could have all that wisdom and patience.

Attorney General BROWNELL. I would not make a concession of that kind, Congressman.

Mr. CELLER. As I understand it, the Court held—and those Latin words are very significant—that the Federal Government does not have dominium, which means ownership or title; it has imperium, that is external sovereignty. Now, if the Federal Government does not have ownership, it therefore cannot transfer that which is part and parcel of ownership. Ownership as I understand it from my law-school days and my knowledge of the law is the qualities of possession of the land, the use of the land, the right of the disposal of the land, the right of enjoyment to the land. If you have not got title, you have not got any of those attributes. If you have not got any of those attributes, you have not got the right of use, which is part and parcel of the fundamental right of ownership, so how can you dispose of it? How could the Federal Government therefore give it to the States?

Attorney General BROWNELL. Our thought on that, Congressman, is, as expressed a little earlier—I do not know any better way to express it, you have said it in effect—that ownership involves a bundle of rights and when you have ownership and sovereignty put together, it is a bigger bundle. The Supreme Court has used a particular phrase for saying what share of that bundle belongs to the Federal Government. It says they had the paramount rights. As we see it, the job the Congress has before it in connection with this legislation is to see whether it is possible for the States to have those rights which

are necessary for the exploitation and development of these submerged lands, and to receive the potential income from them. If this legislation provides that the States definitely have those rights, does that infringe from a constitutional standpoint on the paramount rights which the Federal Government has? All we are saying to you this afternoon, sir, is that we think it does not infringe upon those paramount rights.

Mr. CELLER. The Supreme Court says it does because I read that in response to the inquiry from the gentleman from Ohio. I will read it again:

> And so although dominium and imperium are normally separable and separate, this is an instance where property interests are so subordinated to the rights of sovereignty as to follow sovereignty.

That is pretty clear. The Supreme Court is not going to eat those words when a case comes up after we pass legislation of the type you have suggested. They are going to be consistent with that phraseology, and I am thinking that while what we would have would appear to be a victory, they would throw it out.

Now, one more point. We have had bills offered in both Houses, to the effect that the treasures, the mineral deposits, oils, as in the case of Wyoming, that lie under the national forests, the national parks, and the public domain of such States as Wyoming, Nevada, and Idaho, shall belong to the States. Do you agree with that?

Attorney General BROWNELL. I think it would be more helpful to the committee if I confine my testimony this afternoon to the bills relating to these offshore submerged lands, and merely add this statement, which perhaps will entirely cover your question, we think there is a very real and definite distinction between the problems involved in the offshore property and the public lands inland. There is an entirely different history. The inland properties have no questions of international law tied up with them.

Mr. CELLER. There is oil in Wyoming under the national forest.

Attorney General BROWNELL. They may both have oil underneath them. There is no doubt about that. But the differences are much greater than the similarities, and therefore, to bring the oil properties in Wyoming and so forth into this discussion is not very fruitful.

Mr. CELLER. I do not bring it in.

Attorney General BROWNELL. I misunderstood you.

Mr. CELLER. I say the campaign has started already and is going to get hotter and hotter as the future comes on us to the effect that since the States are on the coast and since these States claim their boundaries go seaward and therefore they are entitled to everything within their boundaries under water and above water, these inland States will say if Texas and California can make that claim, why can we not make the claim that this oil is within our boundaries and therefore we are entitled to it. That is what these bills are saying that have already been offered. You do not agree with that?

Attorney General BROWNELL. No, I do not think that this bill would be any precedent for them at all.

Mr. CELLER. I take it that you feel that we should not quitclaim or should not attempt to quitclaim by bills by Congress title or ownership to these lands to the States. We should not take that avenue, as it were. We should not quitclaim.

Attorney General BROWNELL. We believe that would be constitutional, but we believe our job over at the Department of Justice is as far as possible to foresee legal problems that may arise in connection with legislation. We practice preventive law, in other words. We believe we can prevent some litigation here and save the Government the cost of the litigation by taking this other route.

Mr. CELLER. Did you say that it was constitutional or there is some doubt about it?

Attorney General BROWNELL. We believe that the blanket quitclaim legislation would be constitutional.

Mr. CELLER. Despite the decisions of the Court?

Attorney General BROWNELL. Naturally.

Mr. CELLER. Which has the last word, the Attorney General's office or the Supreme Court?

Attorney General BROWNELL. The Supreme Court.

Mr. GRAHAM. You are not going to press it?

Mr. CELLER. So I wonder whether or not the Supreme Court would adhere to its view or its own view?

Attorney General BROWNELL. Would it not be a better way to say whether it would adhere to my view or your view, and we are both trying to interpret the same opinion.

Mr. CELLER. My view, I think, is the Supreme Court's view. You would also agree that the Congress could not chip away or alienate or transfer any of the sovereignty of the Nation. You agree with that, do you not?

Attorney General BROWNELL. Yes.

Mr. CELLER. That would be utterly unconstitutional?

Attorney General BROWNELL. I do not think any Congress would endeavor to do that.

Mr. CELLER. I do not know. There are some in Congress who may want to do that in effect. They do not realize what they are doing. But that in effect is what they would be doing.

Now, I sympathize completely with what you are trying and striving to do. In other words, I take it that the reason you do not want to have the rights of the Federal Government impaired as far as the Continental Shelf is concerned is because if we pass legislation concerning the Continental Shelf and give portions of that Continental Shelf and the treasure under it to the States, we would be alienating and transferring and quitclaiming a portion of the sovereignty of the United States, is that not correct? That is what you are trying to drive at?

Attorney General BROWNELL. No, I could not go along with that statement.

Mr. CELLER. Why do you put it the way you do? Why do you eliminate the Continental Shelf?

Attorney General BROWNELL. You are speaking now of that portion outside the historic State boundaries.

Mr. CELLER. Yes.

Attorney General BROWNELL. We believe in the policy that has been laid down here by the Secretary of the Interior and the Secretary of the Navy with respect to that. That is not a legal matter primarily. It is a policy matter. We happen to believe that it is the right policy, that the exclusive jurisdiction over the part of the Continental Shelf

outside the historic State boundaries should be in the Federal Government, and that it should have the power to administer it and to retain the income therefrom. That is a sensible policy for this country to adopt.

Mr. CELLER. Is it sensible to have it administered by the Government because it refers to our external security, our international relations and our foreign affairs and general welfare? Is that not correct?

Attorney General BROWNELL. I would not adopt that particular way of saying it, but there is no doubt there is some particular relationship there.

Mr. GRAHAM. Mr. Brownell, before we close—I think everyone has exhausted themselves, and probably you, too—we want to thank you very much for your courtesy in coming before us and appreciate deeply what you have contributed. I am speaking on behalf of the committee when I say that we would appreciate any suggestions you have in drafting this legislation.

Now, if there is no further work for him to do, we will excuse him, and begin with the Congressmen.

Attorney General BROWNELL. Thank you very much for your courtesy, Mr. Chairman.

Mr. GRAHAM. We will now hear from Mr. Yorty. Mr. Yorty is in support of H. R. 2478. You may proceed.

STATEMENT OF HON. SAMUEL W. YORTY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. YORTY. Mr. Chairman, H. R. 2478 is practically the same as the Walter bill, and the Wilson bill, except for one provision, section 11, which was the main reason I introduced the bill. That section simply provides that the Secretary of the Interior have permissive authority to contract with the proper State agencies to do the leasing and the exchange of leases, and the other administrative acts, that he will have authority to do, the State, then, acting as the agent of the Federal Government to carry out the wishes of the Federal Government.

I thought in that connection if you had 1 agency handling the entire area instead of having 2 agencies with a straight line drawn between their areas, sometimes perhaps right over an oil structure, that it would be a little easier to administer the area.

I took this up with the Secretary of the Interior and as the chairman and members of the committee know, he told me that he had no objection to it. Therefore, since he speaks for the administration, I would say that so long as we adopt the provision as I drafted it, a merely permissive power, I would think that it would cause no objection to the bill.

There are just 1 or 2 thoughts that I would like to leave with the committee. I appreciate what the Attorney General is trying to do in getting around the constitutional question that he foresees. Having studied this problem and the legislation pretty thoroughly, it is my opinion that he would not get around the constitutional question. He would merely bring it up in a different form. I would go along with the sentiment expressed by the gentleman from Texas, Mr. Wilson, that we should go ahead and affirm the States' title releasing any

claims the Federal Government has in a proprietary way to these lands beneath the navigable waters within the historical boundaries of the States.

I am in agreement with the gentleman from New York, Mr. Celler, that the word ownership was stricken out of the decree, and whether or not the Federal Government has ownership is unimportant, so long as it releases whatever rights it has in a proprietary capacity and makes it clear that such rights shall be vested in the State insofar as the Federal Government is concerned.

Now, in that connection, I just wanted to make one point here, and that is that if you merely granted the right to the States to develop, say, the oil resources in the area, you might leave up in the air this question of the filled lands. The previous Attorney General—rather the Solicitor—made many statements in public to the effect that filled lands were not affected by the California decision and the Texas and Louisiana decisions. I just want to read a paragraph here from the brief filed by the Federal Government in the California case, in which they dealt with these filled lands. I am reading from page 100 of their brief before the special master. The title of this paragraph is "The Effect of Artificial Changes." [Reading:]

> It is the position of the United States that artificial changes through such harbor development as breakwaters, although they may make waters useful for anchoring ships by protecting an area from the sea, do not result in vesting title to submerged lands in California unless they existed at the time California entered the Union. This position is based upon the accepted rule of law that artificial changes in the shore, either in the nature of reclaiming land or constructing barriers which enclose water areas, do not change the title to the land affected by the improvements.

I think it is fairly obvious that they are stating quite a sound position of law, in accord with the old common law rules of land titles, that by artificial fills you could not change the title. Therefore, as far as Florida, as well as some of the other States are concerned, they are exactly right when they say that the title to all these filled lands on which many apartment houses and hotels and other structures are built are clouded by the assertions of the Federal Government in this case, and need to be cleared up by something more than giving the States merely the right to develop the resources in the submerged lands.

The other point which the committee showed considerable interest in was the boundary question. I might call the attention of the committee to the fact that in the California case they still have not been able to determine the exact location of the seaward boundary of the inland waters. It is in that case, of course, that the Federal Government is trying to push this boundary very close into the shore by claiming that some of our bays are not actually bays. Although they admit they are geographically recognized as bays, they deny that they are legally bays. They are relying upon alleged rules of international law which they have been forced to admit are not settled rules of international law. In this connection they claim that the Federal State Department is the agency that must make the assertions as to seaward boundaries on behalf of the United States, and, therefore, they put the defendant State in the position of opposing a plaintiff able to rely for establishing the position of the plaintiff on their own self-serving declarations. In other words, they claim in court the exclusive power

to speak for the United States. Next they state what the position of the United States is, for instance, with reference to a bay in California. Then they claim that their statement proves it is not a bay, and, therefore, the submerged lands in the bay are not under inland waters.

I hope the precise boundary drawing will be left out of this legislation and reserved to a later time, because it is very complicated, and may require lengthy study.

Mr. GRAHAM. Thank you, Mr. Yorty. Do you plan to submit a statement in addition to this?

Mr. YORTY. No, thank you.

Mr. GRAHAM. Mr. Boggs, we are ready for you.

Mr. WILSON. Mr. Chairman, while Mr. Boggs is coming around there, I should like to place in the record a statement by William E. Welsh, secretary-manager of the National Reclamation Association.

Mr. GRAHAM. Very well.

(The statement is as follows:)

STATEMENT BY WILLIAM E. WELSH, SECRETARY-MANAGER, NATIONAL RECLAMATION ASSOCIATION

My name is William E. Welsh. I am secretary-manager of the National Reclamation Association, an organization founded 21 years ago at a meeting in Salt Lake City called by the then Governor Dern of Utah. This association is very active and has strong membership in each of the 17 Western States comprising the western half of the United States. By far the largest segment of our membership comes from representatives of water users' organizations—officers and directors of irrigation farmer organizations. Its interests lie primarily in the water resources of the West, including development, conservation, and utilization of these waters.

Throughout the years since it was organized, it has been intensely and actively interested in the preservation of the integrity of State water laws. In fact, one of the accomplishments of the association was the publication of a comprehensive report prepared by a special committee on that subject in 1943. It has always been actively and intensely interested in maintaining State participation, State control, and the protection of the States rights over the resources, and particularly the water resources of the States of the West.

Recent activities of the Federal Government in claiming a paramount right to the waters of the streams of the West in such cases as the Santa Margarita River case in California and the Alpine case of the Carson River in Nevada have greatly alarmed our members. They feel that the water rights of the West, which have been acquired under State law and upon which the economy of the entire West depends, are in jeopardy. They feel that the Federal Government, in claiming jurisdiction over the submerged lands of the marginal sea belt as well as the resources under these navigable waters, is taking a dangerous step toward Federal control over all of the navigable waters of the Nation and the resources lying under the same.

At each annual meeting of our association for the past 6 years, beginning in 1947 at Phoenix, Ariz.—all 6 of which have been exceptionally well attended—we have adopted a resolution on the subject Title to Submerged Lands.

Following is the resolution which was adopted at our last annual meeting in Long Beach, Calif., during November 1952:

RESOLUTION NO. 6—TITLE TO SUBMERGED LANDS

"Whereas in the cases of *U. S.* v. *California*, *U. S.* v. *Louisiana*, and *U. S.* v. *Texas*, the Supreme Court of the United States has held that the States do not own lands submerged under the marginal sea belt within their boundaries, nor the resources therein, and has based its decision on the need of the United States to exercise its powers under the Constitution to handle international affairs and national defense; and

"Whereas the United States, under the decisions in said cases, may raise claim to the beds of navigable inland streams which are owned by the States: Now, therefore, be it

"*Resolved by the National Reclamation Association*, That, reaffirming its Resolution No. 14 adopted in 1947, its Resolution No. 8 adopted in 1948, its Resolution No. 16 adopted in 1949, its Resolution No. 24 adopted in 1950, and its Resolution No. 20 adopted in 1951, said association urges that the Congress promptly adopt legislation recognizing or vesting in the several States the absolute title to the submerged lands within their respective boundaries, as recognized when annexed or admitted to the Union, subject only to the paramount rights granted the United States by the Constitution to regulate interstate and foreign commerce and intercourse with other nations, but expressly excluding any claim of the United States to any proprietary rights in any such lands or resources except upon payment of just compensation and under due process of law."

STATEMENT OF HON. HALE BOGGS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF LOUISIANA

Mr. BOGGS. Mr. Chairman, I appreciate the courtesy of the committee, and I shall certainly only take a minute of your time at this late hour.

As far as my bill is concerned, it is practically identical to the Walter bill. That bill has been passed by the House of Representatives to my knowledge twice.

I would not venture at this late hour to try to tell this committee of the tremendous significance to our State and the people whom I have the high privilege of representing, of this legislation. You know of our interest and concern. In addition to that, my State is very ably and very competently represented on this committee by the Honorable Ed Willis from our Third Congressional District.

I must say, however, that the position taken by the Attorney General is quite contrary to the position enunciated in the Walter bill which the House has passed on two or three occasions.

As a member of the Ways and Means Committee, I have never been particularly impressed by the doctrine that a decision of the Supreme Court is sacrosanct. I am more impressed by the theory of government that we have three separate and distinct entities of government under our constitutional system, and as a member of the tax-writing committee of the Congress, our committee and subcommittees have frequently been called upon to, if you will, override Supreme Court decisions, and we have very frequently done so. And the Congress has agreed on the policy that we have adopted.

So that the position taken by the Attorney General here, which, as I understand it, is not changing the doctrine of paramount right, but interpreting the doctrine of paramount right and sustaining the position of the Supreme Court, from the point of view of the people I represent, I find it entirely unacceptable. From my point of view, the idea of granting us a license or a permit or a privilege or a right, whatever you may want to call it, to develop resources which lay within our boundaries in reprehensible and is not acceptable. We maintain, and have maintained, that those rights are our rights, that they belong to the States. The doctrine which has been set forth here this afternoon, while it be a rather unique doctrine, and one which seeks to uphold the Supreme Court and at the same time attempt to satisfy what we consider the very just claims of the States involved, to my way of thinking not only would not solve this problem, not only would not eliminate litigation, but as Congressman Willis has so ably pointed out, would institute and bring about further litigation.

I frankly believe that the attention that this body has given in the past to the principle of the Walter bill, the hearings that have been held, the testimony that has been taken, represents the best approach on the part of the Congress of the United States to this problem.

The thing that disturbs me about this theory that we have heard here this afternoon is that it is completely contrary to the theory that we have subscribed to in my State, the theory of States rights, and secondly, if this be a permit or whatever may be granted at the will of the Congress, certainly it could equally be taken back at the will of the Congress. I think there are other fields that the Walter bill seeks to settle that the position of the Attorney General leaves up in the air.

The question of the Continental Shelf is one that involves a great deal more than mineral rights, and assuming that the position now taken by the Attorney General becomes the position of the Congress, namely, that we get a permit to operate and to drill within the historic boundaries and that the Federal Government has complete right beyond those boundaries, then it seems to me that there are not only problems raised about conservation, about prevention of waste, about drilling and spacing and all the other myriad of problems involved in the exploration for and the drilling of oil and gas, but all of the other problems about civil administration. What happens if a murder should occur on one of the artificial islands that is built in that area to develop minerals? Who has jurisdiction over it? There is no comparable situation in the United States of America, not on the public lands. The Walter bill recognizes the right of the States insofar as civil jurisdiction and insofar as the right of taxation, as well as 37½ percent of the proceeds from those lands in question. Here we have a proposition that comes up in my judgment with a brand new theory of jurisdiction, and rather than settle the problems before us which we have wrestled with now for 6 or 7 years, I think it would create more confusion compounded.

Mr. GRAHAM. Thank you, Mr. Boggs.

Mr. BOGGS. Thank you, Mr. Chairman.

Mr. GRAHAM. Is Mr. Hosmer here?

Mr. HOSMER. Yes.

Mr. GRAHAM. Do you want to be heard?

Mr. HOSMER. Yes.

Mr. HILLINGS. I presume you are going to discuss briefly the point raised as to the Long Beach situation?

Mr. HOSMER. Yes.

Mr. HILLINGS. I wonder if you can bring that to the attention of the committee.

STATEMENT OF HON. CRAIG HOSMER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. HOSMER. The first thing I want to mention is H. R. 1931, which I introduced immediately following President Truman's order, and I think under the Attorney General's interpretation of that decision there is not any need for, nor would it be proper to have that bill considered under the circumstances.

The thing that I want to take up is that I have introduced one of these Holland-type bills. Before the Senate committee or before this committee the Defense Department is asking that an additional section to (a) and (b) be added to section 5, which would in effect vest or purport to vest in the Federal Government title to all areas where the Federal Government has gone ahead and put down installations, like the Navy has built a lot of moles and things like that. That simply means it would be an attempt to fix title by legislative fiat, and in respect particularly to the city of Long Beach, which I represent out in California, the Navy base there is built partly on some 300-and-a-fraction acres that were condemned. It is filled land now, but it was condemned by the United States Government to build the base, and $1 damages was paid to the city, and all rights granted.

On the seaward rights on this condemned area the Navy did not stop filling there, but went on 100 feet. So you can see it is down in the marginal seas. If this provision that the Navy wants in the bill were passed—in my opinion, I say it is patently unconstitutional—it would provide serious litigation. There is a strip of 100 feet that the Federal Government has by legislative fiat taken title to under the surface. At the present time there are some hundred holes going through the area of slant drill wells owned by the city of Long Beach. You can see they would be in the line of trespass, and you can imagine what a terrible legal situation that would bring forth.

For that reason, I feel in my opinion that type of amendment would be very bad, and I would like to present for consideration of the committee the resolution of the Harbor Commission of the City of Long Beach, dated January 26, 1953.

Mr. GRAHAM. Mr. Reporter, will you incorporate that in the record, and also the prepared statement of Mr. Hosmer.

(The documents referred to follow:)

STATEMENT BY REPRESENTATIVE CRAIG HOSMER, 18TH DISTRICT OF CALIFORNIA

I wish to call the committee's attention to two points only:

First: H. R. 1931, introduced by me immediately following President Truman's order purporting to set aside submerged lands on the Continental shelf as a naval petroleum reserve was drafted to set aside that order. Since the bill was introduced, the new Attorney General has clarified the legal status of the Truman order. In light of such clarification, the passage of H. R. 1931 is neither necessary or appropriate for the protection of the rights of the States in and to the tidelands. Therefore, consideration of H. R. 1931 is not requested.

Second: The Navy Department has come before you asking that a subsection designated (c) be added to section 5 of the Holland-type bills before you. This proposal purports to fix title in the Federal Government, both as to surface and subsurface regions, of all areas in the inland waterways, within the historic boundaries, and outside, where the Navy has gone ahead and placed installations without regard to any questions of ownership. This is purely and simply an attempt to fix title by legislative fiat and, in my opinion, is patently unconstitutional. Further, it would lead to profuse and expensive litigation on the part of State and local governments to clear title to land which obviously belongs to them. If an individual attempted any such brazen attempt to appropriate the land of others, he would immediately incur liability for slander of title. I strongly recommend, that if the committee does anything at all with this proposal, it expressly and unequivocably limit it only and solely to areas beyond the historic boundaries. I recommend further, that it be limited to surface rights only so that due consideration may be given at a later date to the equities, if any, of the States in the areas beyond historic boundaries.

To accomplish the foregoing, I recommend that the following be substituted for the first phrase of the proposed new subsection:

"(c) In the marginal seas outside inland waters all improvements thereon which are occupied and used by the United States for any Federal purposes: *Provided*, etc. * * *"

Thank you for your consideration.

Resolution No. HD–493.—A resolution of the Board of Harbor Commissioners of the City of Long Beach, Calif., petitioning the Congress of the United States to act favorably upon and adopt Senate Joint Resolution 13 or House Joint Resolution 40, pending in the 83d Congress

Whereas, pursuant to certain acts of the Legislature of the State of California (California Statutes 1911, p. 1304, California Statutes 1925, p. 235, and California Statutes 1935, p. 793), the State of California granted to the city of Long Beach, Calif. all of its rights, title, and interest held by it by virtue of its sovereignty in and to all the tidelands and submerged lands, whether filled or unfilled, situated below the mean high-tide line of the Pacific Ocean within the corporate limits of said city; said corporate limits have at all times prior to the date of each of said grants extended 3 miles from said mean high-tide line into San Pedro Bay bordering the Pacific Ocean; said tidelands and submerged lands consist of 13,027 acres, of which approximately 1,000 acres have been reclaimed and filled by said city and upon which port and harbor facilities and park and recreational improvements have been constructed, at a cost to said city in excess of $40 million; said lands and navigable waters extend 8.11 miles along the water frontage of said San Pedro Bay, which, historically since 1542 and by prior Court decision, lie within San Pedro Bay, an inland water area of the State of California; and

Whereas there is attached hereto a map entitled, "California Coastline—Port Fermin to Newport Beach," prepared by R. R. Shoemaker, chief engineer of the Long Beach Harbor Department, upon which is portrayed said tidelands and submerged lands and said San Pedro Bay area; said map also portrays a line designated as "Government proposed line," said line representing the position of the United States Department of Justice in proceedings now pending before the Supreme Court in the case of *United States of America* v. *State of California* (No. 12 Original), as the limits of the inland waters in said area; of the 13,027 acres of tidelands and submerged lands conveyed to said city by said State 3,028 acres lie landward of said Government-proposed line, 1,016 acres of which have been reclaimed and filled, 2,012 acres of which constitute navigable water areas; 9,999 acres lie outside of and seaward of said Government-proposed line, 9,846 acres of which constitute navigable waters and 152 acres of which have been filled and improved for use as a public beach recreational area; said public beach recreational area extends approximately 4 miles along said bay and ocean front of the city outside said Government-proposed line; and

Whereas said city, through its board of harbor commissioners, has projected and planned future port and harbor development in and upon said tidelands and submerged lands at an estimated cost in excess of $85 million seaward of said Government-proposed line, in addition to the improvements heretofore constructed upon said lands landward of said proposed line in excess of a cost of $40 million; and

Whereas a Federal breakwater has heretofore been constructed at the cost of many millions of dollars within the corporate limits of said city, approximately in the location of the seaward boundaries of said corporate limits, as indicated upon said map attached hereto; that approximately 9,847 acres of said water area seaward of said Government-proposed line and landward of said Federal breakwater constitute navigable inland waters necessary and vital to the operation of the ports of Long Beach and Los Angeles and presently used as anchorage sites by vessels of all classifications; and

Whereas said position of the Federal Department of Justice to the effect that all lands seaward of said Government-proposed line and the low tide line within the corporate limits of said city do not constitute inland waters of the State of California but, in fact, lie within the so-called 3-mile marginal belt of open sea, over which the United States Government is possessed of "paramount rights in and full dominion and power over," if said position shall prevail, will be contrary to the public interest and seriously impair the rights and equities of the city of Long Beach in the ownership and control of said lands and result in incalculable damage to said city, the State of California, and the Nation;

Now, therefore, the Board of Harbor Commissioners of the City of Long Beach resolves as follows:

SECTION 1. The City of Long Beach, Calif., by and through its board of harbor commissioners, does hereby petition the Congress of the United States to act favorably upon and adopt Senate Joint Resolution 13 or House Joint Resolution 40, pending in the 83d Congress, or similar legislation designed to accomplish the objects and purposes set forth therein.

SEC. 2. That the Congress of the United States reject and defeat any legislation which by its provisions will authorize any Federal department or agency to grant leases on or exercise any proprietary rights in or to the aforesaid lands lying beneath navigable waters within the boundaries of the various States or in or to the natural resources within such lands and waters.

SEC. 3. That the city attorney be and he is hereby authorized and requested to present to the Members of Congress and the appropriate committees thereof all matters pertinent to the aforesaid and to transmit a copy of this resolution to the President of the United States and Members of the Congress.

SEC. 4. The secretary of the board shall certify to the passage of this resolution by the Board of Harbor Commissioners of the City of Long Beach, and it shall thereupon take effect.

SEC. 5. The secretary of the board shall cause this resolution to be published once in the Long Beach Indepeudent, the official newspaper of the city of Long Beach.

I hereby certify that the foregoing resolution was adopted by the Board of Harbor Commissioners of the City of Long Beach, at its meeting of January 26, 1953, by the following vote:

Ayes: Commissioners: Davis, Sullivan, Reider, Daubney, Martin.
Noes: Commissioners: None.
Absent: Commissioners: None.

F. D. REIDER,
Secretary of the Board of Harbor Commissioners.

I hereby certify that the foregoing is a true and correct copy of Resolution No. HD-493, adopted by the Board of Habor Commissioners of the City of Long Beach, Calif., at its regular meeting of January 26, 1953, as same appears in the official records of said board.

[SEAL] ALVIN K. MADDY,
Executive Secretary of the Board of Harbor Commissioners.

Mr. HOSMER. Thank you very much.

Mr. GRAHAM. The meeting is adjourned for today, and tomorrow we will meet at 10 o'clock in room 327.

(Thereupon, at 4:30 p. m., a recess was taken until Wednesday, March 4, 1953, at 10 a. m.)

(The following was submitted for the record:)

STATEMENT BY HON. LLOYD M. BENTSEN, JR., MEMBER OF CONGRESS, 15TH DISTRICT OF TEXAS

I should like to make a statement in behalf of H. R. 371, introduced by myself on January 3, 1953, and referred to the Committee on the Judiciary. This bill is submitted for the purpose of confirming and establishing the titles of the States to lands beneath navigable waters within State boundaries and to the natural resources within such lands and waters, to provide for the use, control, exploration, development, and conservation of certain resources of the Continental Shelf lying outside of State boundaries.

PART II—COMMENT IN SUPPORT OF H. R. 371

My purpose in introducing this bill should be completely apparent. Since 1937, most particularly since 1947, one of the major industries of our Nation has been handicapped in its efforts to secure and make available to the country a substance which has come to be referred to as the lifeblood of our modern civilization—oil—the oil which we know is to be found in the Continental Shelf contiguous to our shores.

It must be clear to all of us that every possible source of this vital fluid must be developed, yet through the efforts of a shortsighted few we have been denied access to the one of the last great new sources of supply.

For many years there was no question as to the ownership of the land and its resources beneath the marginal seas. For well over 100 years the Federal Government had no interest in these lands. It was only after technical progress and the initiative of private enterprise under State auspices had disclosed the presence of oil and gas beneath the water that there was any question at all of ownership of this area. You have all heard many times recited the numerous Supreme Court decisions, the many lesser-court decisions, the Department of the Interior rulings which for many years only affirmed the commonly held belief in State ownership of the submerged lands adjoining their coasts. Additional confirmation can be found in the more than 200 grants of portions of this area to the Federal Government by the States, at the Federal Government's request and seemingly in full recognition of the States' rights. I say it is unnecessary to recount all of these. Suffice it to say that the overwhelming evidence historically points to ownership of this area by the States. However, since 1945, when the Federal Government first instituted suit against California and later against Louisiana and Texas title to the submerged lands and their resources has become clouded. To my mind this is unfortunate. The result of the Federal Government's efforts in this endeavor has been to slow down the production of oil and gas in the submerged lands and to bring almost to a stop efforts to discover new fields offshore. It has long been the feeling among those familiar with the industry that we were on the brink of great discoveries.

Now we are in a period of emergency when we need all of our resources. We have a war in Korea, which demands great quantities of oil, and who knows when some spark may touch off the flame which will bring us into a third world war. It is vital to our national defense that we have at hand as much of critical and strategic materials as possible, and oil is among the most essential. Until the question of ownership of the submerged lands and the resources therein is settled it is readily apparent that the oil industry is not going to increase its already great investment in equipment, time, and effort.

That is the purpose of my bill H. R. 371. The bill states that all coastal States own the submerged lands seaward for 3 miles, at the same time that it reserves for the Federal Government control of that area for the purposes of commerce, navigation, national defense, and international affairs, all the proper spheres of activity by the National Government. I believe this to be a fair and equitable delineation of ownership and responsibilities. In the interest of the national defense the bill would give the Federal Government priority of right to secure the oil recovered in this area. There can be no quarrel with that provision. Continuity and equity are served by the provisions for continuation of present leases.

In settlement of the troublesome question of the marginal seas and the lands and resources beneath them beyond the 3-mile limit the bill would again accomplish an equitable disposition of ownership and responsibility. This is accomplished by placing title to the seabed and subsoil in the United States but recognizing the claims of the coastal States by placing the police power in each such State, including the powers of taxation, conservation, and control of geophysical explorations, so long as they are consistent with Federal laws. Leasing of this area is to be handled by the Secretary of the Interior, giving full recognition to existing leases under the States, but 37½ percent of the revenues therefrom are to accrue to the coastal States. I believe this to be a fair resolution of the problem. Ample attention is given in this bill to the needs of national defense.

Since the earliest discoveries of oil and gas in the marginal sea the States have in good faith exercised all of the rights of sovereignty in this area and revenues have been used to support the schools and other public institutions within those States. The States sorely need these revenues now as we all know. This bill will insure the full return to these States of the 259,000,000 barrels of oil and 75 trillion cubic feet of gas proven to be within the historical boundaries of these States, plus any further reserves that may be discovered later under the accelerated program of exploration which surely will follow the settlement of the question of ownership. The revenues from the estimated potential reserves inside the historical boundaries of 2,850,000,000 barrels are essential to those States. At the same time the revenues from the 12,450,000,000 estimated potential reserves outside the State boundaries would be equitably shared by the coastal States and the Federal Government under this bill. At a minimum royalty rate of 12½ percent this would approximate four billions of dollars, to be divided 37½ percent to the coastal States, 62½ percent to go to the United States. My bill is drawn to insure the continuity of exploration and best conservation measures so as to derive the greatest good for the Nation from its re-

sources in the Continental Shelf. It seems reasonable to expect extensive revision of reserves estimates, once the full genius of American enterprise is brought to bear as it will undoubtedly be once the question of title is settled.

The primary question at hand is speed: Let us get started. Let us not neglect this bonanza which is so readily accessible, which we know exists and is so vital to us. We are spending untold millions, searching all over the world for this black gold so necessary to our civilization. Why need we neglect this source right at our very feet?

H. R. 371 provides for an orderly transition from the present state of suspended animation brought on by the Supreme Court decisions. It is my opinion that those very decisions in effect invited Congress to dispose of the question of title to the submerged lands and their resources. Thrice Congress has decided that question in favor of the States, and unfortunately the bills were vetoed. We can wait no longer, because the present state of suspended activity is dangerous. No resource is of any value unless it is developed and these resources of the Continental Shelf are not now being developed or made available as they should be. My bill, H. R. 371, will make them available in short order and in an equitable manner, fair to all concerned. Let us decide the question now, and proceed to the main business of producing the oil and gas and other resources which we so urgently need.

Gentlemen, I ask your favorable consideration of H. R. 371.

In this bill the term "lands beneath navigable waters" includes (1) all lands within the boundaries of the several States covered by waters navigable under United States law at the time each State became a member of the Union, and all lands from the mean high tide line seaward, or into the Great Lakes or Gulf of Mexico 3 geographical miles or to the point where it existed at that time or as approved by Congress, should it extend more than 3 geographical miles; and (2) all lands formerly beneath navigable waters now filled in, made, or reclaimed. The term "boundaries" includes the seaward boundaries of a State or its boundaries in the Gulf of Mexico or any of the Great Lakes as they existed at the time the State joined the Union, or as approved by Congress heretofore or hereafter or as extended or confirmed in this bill.

The term "coastline" as here used is the low-water line along the coast in direct contact with the open sea, and marking the seaward limit of inland waters, including all bodies of water which join the open sea.

The terms "grantees" and "lessees" include all such entities implied by the legal term "persons" which hold grants or leases from a State or its predecessor sovereign, to lands beneath navigable waters if acquired in accordance with the laws of the State in which such lands are situated, providing nothing in this bill would confer any greater rights or interests than those granted by the States.

The term "natural resources" includes marine animal and plant life of all kinds but not waterpower or use of water for power at any site where the United States now owns the waterpower.

The term "lands beneath navigable waters" does not include the beds of streams in lands now or heretofore constituting a part of the public lands of the United States if they were not meandered in connection with the public survey of such lands under the laws of the United States.

The term "Continental Shelf" means all submerged lands which lie outside and seaward of lands beneath navigable waters as herein defined and of which the subsoil and natural resources appertain to the United States and are subject to its jurisdiction and control.

The term "lease," when used in reference to action by a State or its political subdivision or grantee prior to January 1, 1949, is regarded as including any form of authorization for the use, development, or production of lands beneath navigable waters and the natural resources thereof, and the term "lessee," in such connection, includes any person having the right to develop or produce natural resources or lands beneath navigable waters under any such form of authorization.

RIGHTS OF THE STATES

This bill declares it to be in the public interest that title to and ownership of the lands beneath navigable waters within the boundaries of the respective States, and the natural resources within them, including the right to control, develop, and use them in accord with applicable State law, are recognized, confirmed, established, and vested in the respective States or their grantees, lessees, or successors in interest thereof, subject to the provisions of this act. By this

bill the United States releases and relinquishes to the States and/or its grantees and lessees all of whatever rights, title, and interest in the land, moneys, improvements, and natural resources. Hereby it relinquishes all claims arising from any operations pursuant to State authority within such lands and navigable waters. This bill recognizes all grants and leases in force and effect on June 5, 1950. Such rights, in accord with the laws of the State granting them, are further subject to the provisions of this act for maintaining such a lease and operations thereunder for their full term and any extensions grantable under this bill, with the following provisos:

1. If oil and gas were not being produced under such a lease on or before December 11, 1950, then for a term from the effective date hereof equal to the term remaining unexpired on that date, under the provisions of the lease or any extensions, renewals, or replacements authorized by its terms.

2. That all rents, royalties, and other sums payable under such lease and the laws of the State issuing or whose grantee issued such lease between June 5, 1950, and the effective date of this act not paid heretofore are paid to the State or its grantee issuing the lease within 90 days from the effective date of this act.

3. Nothing in this bill would affect the use, development, improvement, or control by or under the constitutional authority of the United States of such lands and waters for the purposes of navigation, flood control, or production of power at any site where the United States now owns or may hereafter acquire the waterpower, nor be construed as the release or relinquishment of any rights of the United States arising under the constitutional authority of Congress to regulate or improve navigation or to provide for flood control or the production of power at any site where the United States now owns the waterpower.

SEAWARD BOUNDARIES

Any State which has not done so may extend its seaward boundaries to a line 3 geographical miles distant from its coastline. States bordering the Great Lakes may extend their boundaries to the international boundary line. This bill approves any such claim asserted now or hereafter without prejudice to its claims, if any, to boundaries extending beyond that line. The bill does not question or prejudice the existence of any State's seaward boundary beyond the 3 geographical miles if it was so provided in the State's constitution or laws prior to its joining the Union or is approved by Congress.

Exceptions to the above are:

1. Land, specifically designated, resources, and improvements held by the United States, title to which has been acquired lawfully and expressly from any State or holder of title proceeding from a State.

2. Any lands or interests in lands beneath navigable waters held by the United States in trust for the benefit of Indians.

POWERS RETAINED BY THE UNITED STATES

This bill provides that the United States retains all its power of regulation and control of the submerged lands and navigable waters for the purposes of commerce, navigation, national defense, and international affairs. None of these implies any of the proprietary rights of ownership, use, development, or control of the lands and natural resources which are specifically assigned to the States or their respective grantees or lessees by this bill.

In time of war, when Congress or the President so prescribes, when necessary for national defense, the United States shall have priority rights to purchase at prevailing market prices, any or all of the natural resources, or to acquire and use any portion of these lands under due process of law and upon payment of just compensation therefor.

JURISDICTION OVER CONTINENTAL SHELF

The bill declares it to be the policy of the United States that the natural resources of the subsoil and seabed of the Continental Shelf appertain to the United States and are subject to its jurisdiction, control, and power as provided herewith, with the following qualifications:

1. Except when exercised in a manner inconsistent with pertinent Federal laws, the police power of coastal States extends to that portion of the Continental Shelf within the boundaries of those states extended to the outer

margin of the Continental Shelf. Police power includes the power of taxation, conservation, and control of the manner of conducting geophysical explorations. However, the waters above the Continental Shelf, under this bill are to be considered to have the character of the high seas and the right to their free and unimpeded navigation is not to be abridged.

2. Oil and gas deposits are to be controlled and disposed of only in accord with the provisions of this bill; no other rights or claims are to be recognized.

PROVISIONS FOR LEASING OF CONTINENTAL SHELF

Oil and gas leases on any area not then under lease by a littoral State or the Federal Government may be granted upon request of any responsible and qualified person or when the Secretary of the Interior deems there is a demand for purchase of such leases. Conditions for their granting are as follows:

1. Sales are to be made to the responsible and qualified bidder offering the highest cash bonus per leasing unit.

2. Notice of sale at least 30 days before sale should contain: (*a*) description of tract; (*b*) minimum bonus per acre acceptable to Secretary of the Interior on each leasing unit; (*c*) amount of royalty; (*d*) amount of rental per acre per year: (*e*) time and place bids to be opened in public.

The leasing units are to be reasonably compact and of such size as the Secretary of the Interior may determine. They may be at least 640 acres but not more than 2,560 acres if within the known geologic structure of a producing field. If not within such a structure they must be at least 2,560 acres but not over 7,680 acres.

The term of such leases shall be for 5 years and shall continue so long as oil or gas is produced in paying quantities. Precautions are provided in the form of requirements for standards of diligence, efficiency, and careful practices.

Such leases shall provide for minimum royalties of 12½ percent of the value of recovery from the leasehold or not less than $1 per acre per year in lieu of rental for each lease year after discovery.

Provision is made for the eventuality of cessation of operations or production from whatever cause.

All leases require payment of an annual rental of $1 per acre beginning the second year, payable in advance, during the primary term and in lieu of drilling operations or production from the leasing unit.

If at expiration of the primary term of a lease, oil or gas is not being produced in paying quantities but drilling operations, having been started 180 days before termination are being diligently prosecuted, the lease shall remain in force. This shall be so as long as such drilling continues, and if production results, so long as production in paying quantities continues.

Such leases may be canceled upon failure of grantees or lessees to comply with provisions of the bill as determined in the appropriate court, provided, however, the Secretary of the Interior allow the lessee 20 days in which to show cause in writing why it should not be done. They may be canceled or disposal of interest required by court proceeding showing any interest in ownership or control to be in violation of any of the provisions of the bill.

The Secretary of the Interior may specify other terms consistent with the terms of the bill, and he may delegate his authority under the bill to others within the Department of the Interior.

Leases or any interest in leases may not be held by citizens of other nations not granting similar or like privileges to citizens or corporations of this country. Any such persons acquiring such rights by descent, will, judgment or decree must dispose of it within 2 years.

No rights acquired under this bill may be controlled by any combination in the form of an unlawful trust or be a part of an agreement, contract, understanding, or conspiracy in restraint of trade or commerce in the production or sale of oil or gas or to control their prices. Fraud or misrepresentation in obtaining any lease is ground for invalidation through court action, and such lease cannot be offered for exchange.

EXCHANGE OF EXISTING STATE LEASES IN CONTINENTAL SHELF FOR FEDERAL LEASES

The Secretary of the Interior is directed to issue a lease to any person in exchange for a lease covering lands in the Continental Shelf under the following conditions:

1. Issued by any State or its grantee prior to January 1, 1949, in force and effect on June 5, 1950, in accord with that State's law.

2. Issued with the approval of the Secretary subsequent to January 1, 1949, and before the effective date of this bill, in force and in accord with the laws of the State issuing it.

Terms for leases thus exchanged are to be from the effective date of this bill for a period equal to the unexpired term of the old lease, as it may have been extended under the State's laws, provided, however, if no oil or gas was being produced under the old lease on or before December 11, 1950, any new lease shall be for a term from the effective date of this bill equal to the term remaining unexpired December 11, 1950, as may be extended under that State's law, and shall cover the same natural resources and portion of the Continental Shelf as the old lease.

These new leases shall provide for payment to the United States on the same terms as provided in the old lease plus such other terms as the Secretary may prescribe, consistent with the provisions of this bill.

Until such exchange leases are issued or it is determined none will be issued, operations may continue under the terms of the old lease.

Holders of leases from States or from their grantees in order to receive new leases in exchange for old must meet the following conditions:

1. Apply within 6 months of the effective date of this bill with exceptions noted later, submitting a copy of the old lease.

2. Agree that the lease applied for shall be subject to the same overriding royalty obligations as the lease issued by the State or its grantee.

3. Pay to the United States all sums due to the lessor under the old lease which become payable after December 11, 1950, and not yet paid.

4. Meet such other reasonable requirements as specified by the Secretary of the Interior to protect the rights of the United States, which may include furnishing surety bond.

5. File with the Secretary a certificate issued by the proper State official to the effect that the old lease was in force and in compliance with that State's laws, or sufficient documentary evidence as will demonstrate that fact.

Any sums due under the old leases, coming due after December 11, 1950, may be paid to the United States; however, an accounting shall be made to the State issuing that lease of such payments.

ACTIONS INVOLVING CONTINENTAL SHELF

Any court action concerned with the subject matter of this bill is subject to the jurisdiction of the United States district court for the district in which the leaseholder is located, for the district in which the property is located in whole or in part, or for the district nearest to the property involved.

DIVISION OF PROCEEDS

This bill provides for the division of the proceeds with respect to operations for oil, gas, and other minerals in the Continental Shelf as follows:

1. Each coastal State to receive 37½ percent of all moneys from within the boundaries of that State if extended seaward to the outer margin of the Continental Shelf, to be paid by the Secretary of the Treasury within 90 days after expiration of the fiscal year.

2. All other sums accrue to the miscellaneous receipts of the United States.

3. In the event of acceptance by the United States of payment in kind, 37½ percent of the value of such royalties, at the prevailing market price shall be paid to the State entitled thereto.

REFUNDS

In the event of overpayment to the United States by a lessee in connection with any lease under this bill, in the view of the Secretary of the Interior, the latter may certify to that effect and the Secretary of the Treasury may repay that amount.

WAIVER OF LIABILITY FOR PAST OPERATIONS

No State is required to render any accounting to the United States for its prior activities in the area the subject of this bill. Nor is any lessee likewise required to render an account to the United States.

This does not apply in the event that court action shows fraud has been practiced in securing any leases therein or in the operations thereunder.

POWERS RESERVED TO THE UNITED STATES

The United States retains the right in case of war or when necessary for national defense, when prescribed by the Congress or the President—

1. Of first refusal to purchase at prevailing market price all or any oil or gas production from the Continental Shelf.

2. To terminate any lease issued or authorized hereunder, thus becoming the owner of all property, being accountable however to the leaseholder for just compensation, to be determined as in the case of condemnation.

3. To suspend operations under any lease. In such event the United States is liable to the lessee for such compensation as is required under the Constitution and the liability of the lessee for payment of rentals, royalties, etc., is suspended during the suspension of operations. The time thus elapsing is to be added to the term of the lease.

The United States also reserve the right to designate by and through the Secretary of Defense, with the President's approval, areas of the Continental Shelf needed for navigational purposes or for national defense. No exploration or operations may be conducted in those areas so long as they remain so designated except with the concurrence of the Secretary of Defense. Should such action result in suspension of operations or production payments required under the suspended lease are likewise suspended and the term of the lease extended for an equal period. The lessee is entitled to such compensation as is required under the Constitution.

The ownership of and right to extract helium from all gas produced from the Continental Shelf subject to any lease under terms of this bill is reserved and retained by the United States.

GEOLOGICAL AND GEOPHYSICAL EXPLORATIONS

Any person, acting under applicable provisions of law, or any agency of the United States may conduct geological and geophysical explorations in the Continental Shelf as long as they do not interfere with or endanger actual operations under any lease issued hereunder.

RIGHTS OF STATES NOT PREJUDICED

Nothing in this bill may be so construed as to limit the right of any State to determine by appropriate court action any claim of ownership or otherwise in the use and disposition of the lands or resources of the Continental Shelf as they may have existed before this bill. This bill is not to be interpreted as depriving any State of any rights within any part of the Continental Shelf.

INTERPLEADER AND INTERIM ARRANGEMENTS

In the event that, despite the terms of this bill, any lessee under a State prior to effective date of this bill may certify to the Secretary of the Interior under oath that doubt exists: (1) As to whether such leasehold lies within the Continental Shelf, or (2) as to whom payments under the lease should be made, or (3) the validity of the claims of the issuing State or its grantee to the area covered by the lease and such claims have not been determined by a final judgment by a court of competent jurisdiction, there are three possible actions by the lessee. They are:

1. He may interplead with the United States, and, with their consent, the State or States concerned, in an action filed in the proper United States district court, and deposit with the clerk of that court all payments due under terms of the lease. This shall constitute the lessee's obligations under such lease to make such payments.

2. He may continue such payments as called for under the lease to the State or its grantees until final judgment by the proper court. Payments after such judgment are to be made as the court directs. Should the court find for payment to the United States the State concerned shall pay over all sums deposited by the lessee.

3. The lessee may file application for an exchange lease as provided herein at any time up to 6 months after it is determined by final judgment of a proper court that the claims of the issuing State or its grantee are invalid

as against the United States and the lands under lease are within the Continental Shelf.

The bill provides also that in the event that any lands within the Continental Shelf under lease are involved in litigation between the United States and the issuing State that the lessee may intervene in such action. He may discharge his full obligations under the lease by depositing such sums as he is liable for under the lease with the clerk of that court.

STATEMENT OF RUSSELL V. MACK, MEMBER OF CONGRESS, THIRD DISTRICT OF WASHINGTON

Mr. Chairman and members of the committee, I thank you for extending me the privilege of testifying at these public hearings on the submerged-lands bills. When the Territory of Washington was admitted to statehood in 1889, its State constitution provided that its westerly boundary should extend 3 miles out to sea. That constitution was approved by the Congress of the United States. By that approval the Congress, supreme lawmaking body of the people, gave to the State of Washington title to the submerged lands off its coast. Unless a tidelands oil bill is passed by Congress the Federal Government will deprive the State of these lands it once gave to the State.

It is essential that a submerged-lands bill be enacted by Congress if Washington's rights to these lands are to be preserved.

If oil explorations are conducted on submerged lands adjacent to a seacoast State, it will be the taxpayers of the State who will have to provide all funds for building roads to the coastal areas in order for oil operators to get personnel and equipment to and from these submerged lands. It will be the taxpayers of the State who will have to provide the funds to supply oil workers and their families employed on the tidelands with police and fire protection, with schooling for their children, old-age-security protection and most other public services.

If the States supply these services and of necessity they must, the seacoast States which provide all these tax-burden services should get the oil and gas revenues from the submerged lands and not the Federal Government which does not bear these costs.

For these reasons, Mr. Chairman, I favor the passage of a bill that will vest title to the submerged lands in the States to which these lands are adjacent.

STATEMENT BY EDGAR W. HIESTAND, MEMBER OF CONGRESS, 21ST CONGRESSIONAL DISTRICT OF CALIFORNIA, IN BEHALF OF H. R. 2179

I have introduced H. R. 2719, a measure for restoring to and definitely establishing in the States of this Nation the title to all lands underneath navigable waters within their historic boundaries. This bill is identical with the one which President Truman vetoed last May, and the bill introduced by Senator Holland and 39 other Senators (S. J. Res. 13) in this session, except that certain amendments have been added to fortify the bill against attack on any ground of unconstitutionality.

It is unnecessary to develop at length the events which have taken place requiring this legislation. The States had enjoyed ownership of these lands for over a century of time when the case brought by the Federal Government against California was decided on June 23, 1947; holding that the Federal Government has "paramount rights" in the submerged lands off the coast and that the adjacent State has no title thereto or property interest therein.

Measures have twice been passed by both Houses of the Congress restoring title to the States, only to receive a Presidential veto.

I shall state briefly some of my reasons why I believe my bill should be passed:

1. The Supreme Court has virtually invited congressional action. It stated in its opinion in the California case that it did not assume that "Congress which has constitutional control over Government property will execute its powers in such way as to bring about injustices to States, their subdivisions or persons, acting pursuant to their permission." In its opinion, it recognized the provisions of article IV, section 3, clause 2, of the Federal Constitution which vests in the Congress "Power to dispose of and make all needful rules and regulations respecting the territory or other property belonging to the United States."

2. The decision of the Supreme Court in the California case, as well as those in the cases of Louisiana and Texas, have brought about a chaotic condition of

titles and ownership. A situation of uncertainty exists which is almost unparalleled along California's 1,100 miles of coastline: it may be said that there is not one acre of ground where there is any degree of assurance as to who possesses title and ownership. For instance, in one important port on California's coast, the city attorney has refused to approve bond proceedings for important and necessary piers and docks because the city cannot expend public funds on property which does not belong to it and the ownership of the lands from ordinary low-water mark out is wholly in doubt. This is a situation which requires definite and permanent decision.

3. If the Federal Government requires the coastal submerged lands within State boundaries, it should acquire them under the provisions of the Federal Constitution, which requires due process of law and just compensation for property taken for public use. The plenary power of the United States has been urged throughout this controversy, but as Mr. Justice Reed said in his dissenting opinion in the California case: "The power of the United States is plenary over these undersea lands precisely as it is over every river, farm, mine, and factory of the Nation." The inference of this is clear; that the right to take after due process of law and the payment of just compensation is not the power to confiscate. The new doctrine of "paramount rights" set up in these decisions of the Supreme Court has caused alarm in all the States of the Nation, coastal and inland alike, and the fear is that the doctrine may be extended to anything, anywhere, whenever the Federal Government desires to take property for its purposes.

4. It must be borne in mind that neither the decision of the United States Supreme Court of June 23, 1947, nor its order and decree effectuating that decision on October 27, 1947, held that the Federal Government has rights "of proprietorship," which is the term ordinarily used to designate ownership: In fact, when the United States Department of Justice submitted a proposed decree to the Supreme Court for its approval, the decree submitted contained the words "of proprietorship" after the word "rights" but the Supreme Court declined to include these words in its decree.

5. California is not the only victim of a decision indicating the Federal Government to have paramount rights within submerged lands within its boundaries. Similar decisions and decrees were later rendered against the States of Louisiana and Texas. This is the reason that in the Senate the bill restoring ownership to the States was sponsored by 40 Senators from the States spanning the entire Nation.

6. In this effort to restore ownership to the States and to rectify what we believe to be the unfair treatment accorded the States who were sued in the United States Supreme Court, we find ourselves in highly respectable company. May I name some of the outstanding official bodies nationwide in scope who have taken the same position as we take with reference to the restoration of these property rights of the States?

(1) The conference of governors, composed of the governors of the 48 States; (2) the National Association of State Land Officials; (3) the American Association of Port Authorities; (4) the National Institute of Municipal Law Officers; (5) the Council of State Governments; (6) the conference of mayors; (7) the National Association of Attorneys General; (8) the National Association of Secretaries of State; (9) the National Reclamation Association; (10) the National Water Conservation Conference; (11) the American Bar Association; and (12) the American Title Association.

While it has made good use of the revenues derived from the submerged lands off its coast within its boundaries, including educational funds, as well as funds for our State public beaches and parks, we wish to emphasize that the State of California is not primarily concerned over the financial revenues involved. The thing in which our State is most concerned in this problem is the basic matter of high principle involved. It is our firm belief that property rights of the States have been denied recognition, after the States' ownership had been respected and recognized for almost a century of time and the Federal Government had, in every instance in which it desired to erect structures or make improvements, determined to proceed without first obtaining a conveyance of title from the State, either by deed of purchase after paying agreed compensation, or by the use of the power of eminent domain, paying just compensation after affording due process of law, or by receiving a deed of gift from the State and these deeds of gift were numerous, testifying to California's generosity and cooperation. It was not until some oil was discovered along relatively small

portions of our coastline that the Federal Government sought to take over. The result is now well known. We believe that it is high time that this situation be remedied, definitely and permanently.

STATEMENT OF HON. PATRICK J. HILLINGS, MEMBER OF CONGRESS, 25TH DISTRICT, CALIFORNIA

Mr. Chairman, since I am a member of the Judiciary Subcommittee which is considering tidelands legislation, I do not feel that it is necessary to present a lengthy statement on the subject at this time. I intend to participate fully in the subcommittee deliberations and will express my views in more complete detail during the course of our subcommittee discussions.

I wish to reiterate at this time, Mr. Chairman, my recommendation that Congress speedily enact legislation to restore the offshore submerged lands to State ownership. I believe these lands rightfully belong to the individual States. I do not believe that the Federal Government has any right, title, or claim to the submerged lands within historic State boundaries. It is vitally important to the people of my State of California and to the people of all other States in the Union that this controversy be settled in the immediate future. It is also important to our national-defense program that Congress resolve the question of ownership of these lands so that development of the natural resources therein may proceed at once. In addition, the people of my State of California and other States will benefit from the proceeds received from the leasing of these lands. Development of schools, harbors, playgrounds, beaches, and other improvements will go ahead without delay as soon as the title of the States is perfected. It is my hope that legislation that I have introduced or similar legislation restoring State ownership of the lands in question will be recommended by this subcommittee.

STATEMENT OF CONGRESSMAN GORDON L. MCDONOUGH ON H. R. 2726

Mr. MCDONOUGH. Mr. Chairman, H. R. 2726 and other bills introduced which provide for establishment of the titles of the States to lands beneath navigable waters within State boundaries and to the natural resources within such lands and waters which are now under consideration of this committee are of vital importance to the people of the State of California.

California for sometime has been a focal point in the controversy over the issue of States rights in which the Federal Government has laid claim upon the tidelands which extend along the coast of California for 1,200 miles.

The 10th amendment to the Constitution provides that "The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people."

Under this provision for more than a century in California and other States of the Nation, the rights of the States and their people to the ownership and full enjoyment of all lands beneath navigable waters within their boundaries were recognized by the Federal Government.

The boundary of the State of California, as provided in the State constitution, extends 3 miles into the Pacific Ocean and includes all islands along and adjacent to its coast. Sole ownership of this area by the State has always been recognized by the Federal Government and all of its departments and agencies until a little over a decade ago. As late as September 22, 1933, in answer to a letter addressed to him by an applicant for a leasing permit from the Federal Government, Secretary of the Interior Harold L. Ickes gave the following written reply to the applicant:

"Title to the soil under the ocean within the 3-mile limit is in the State of California, and the land may not be appropriated except by authority of the State."

About 3 years later, however, Secretary of the Interior Ickes changed his mind and decided to seek to establish ownership and control in the United States over these lands. Efforts were made unsuccessfully to have the Congress declare these lands the property of the Federal Government.

When Congress failed to declare the tidelands the property of the Federal Government, proceedings were instituted in the Supreme Court, and a decision rendered which declined to hold that the United States was the owner of the tidelands, but stated that California was not the owner of these lands.

As a result of this decision, the title to the tidelands in California and in the other States has remained in controversy to the present with the subsequent confusion.

As an example, in California our great harbors are clouded by the Supreme Court decision. Our world-renowned public beaches and shoreline recreational developments are at a standstill until the State's ownership of tidelands is reaffirmed. One city alone, Long Beach, finds many of its important community projects paralyzed until the matter is cleared up.

Thousands of homes and pieces of land owned by thousands of persons are up in the air while the issue of whether or not the Federal Government is to be empowered to take at will, and without compensation, such lands as it needs or wants is still to be decided.

To illustrate what this means to real estate in California, the California tidelands in dispute include the land under San Francisco's ferry building and the land under San Diego's civic center and municipal airport. Half of Los Angeles Harbor and much of Long Beach Harbor are of uncertain status.

In the claims of the Federal Government for title to the tidelands, much has been made of the oil deposits under the tideland area in California, as well as in other States, and the need for Federal control for the preservation of natural resources. In the case of California, however, the facts show that oil deposits are actually found under only 15 miles of California's coastline, and half of the estimated oil supply in those pools has already been extracted.

The State of California is the guardian of all the rich natural resources so important to our natural resources within the boundaries of the State, and shares equal concern with the Federal Government for the development and protection of these resources.

The 1,200-mile coastline tidelands area of California is one of the State's greatest natural resources. Hundreds of millions of dollars have been spent by the State and its citizens on harbors, fisheries, pleasure resorts, and other uses essential to the orderly development of the State. The cities and counties of California have additional plans for the use of the tidelands. But if the tidelands question is not settled, these plans are retarded, and if title should be granted to the Federal Government, the people of California and the other States involved would be subordinated to the Federal Government in these matters.

I believe that equity calls for the confirmation of the title of these lands to the States as provided for in H. R. 2726 and the other similar bills now under consideration by this committee.

Only the Congress can resolve the long-standing controversy between the States of the Union and the departments of the Federal Government over the ownership and control of submerged lands, and the longer this controversy is permitted to continue, the more vexatious and confused it becomes. In addition, much needed improvements on these lands and the development of strategic natural resources within them has been seriously retarded.

The bills which are now under consideration by this committe would confirm and establish the rights and claims of the 48 States, asserted and exercised by them throughout our country's history, to the lands beneath navigable waters within State boundaries and the resources within such lands and waters, and would end the controversy which has been blocking development of the tidelands since 1938.

I sincerely urge this committee's favorable consideration of H. R. 2726, which would establish the legal title of the States to the tidelands areas, as defined in this legislation.

STATEMENT OF HON. JAMES H. MORRISON BEFORE THE HOUSE COMMITTEE ON THE JUDICIARY

HELP THE PRESIDENT RETURN THE TIDELANDS TO THE STATES

Mr. Chairman, for over 100 years the individual States have claimed and possessed the submerged lands within their boundaries relying in good faith upon many Supreme Court and administrative decisions. Attempts recently have been made by the executive agencies of the Federal Government and decisions of the Supreme Court have clouded the titles of all the States, both inland and coastal, to their submerged lands.

So much has been said already in this long controversy that one can wonder what, if anything, remains to be said. Or if nothing new remains, then what things need repeating with new light on reemphasis.

The controversy has taken some fantastic turns. The attempt to use 90- or 100-year-old Government scrip is one such incident. Or consider the fabulous estimates—that $40 billion of petroleum is involved. Or consider the fact that support of our public-school system and the sacred defense of our Nation have been dragged, and I say "dragged" advisedly, much nearer the center of the controversy than is warranted. Not only did the late Secretary of the Interior Ickes reverse himself but our Supreme Court, by a narrow margin, awarded paramount powers and dominion to the United States Government. To make the controversy even more weird, the International Court of Justice at The Hague meanwhile has decided the Norwegian Fisheries case and, though it may not be acceptable to generalize those results too far, that decision appears to lend support to the position of the States in the marginal seas problem.

I wish to reiterate that from 1776 to 1937 the right of the States was not successfully challenged. Some 296 court decisions and departmental pronouncements appear to have substantiated the right of the State dominion over these lands. That ought to constitute settled law, if such there be. It is not, as some have claimed, that what we now propose would be a steal, but rather a just return of property which should never have been claimed by our Federal Government. The President has reiterated that he would favor legislation returning control of offshore resources to the States. That will fix things up—remove this cloud on the title.

Mr. Chairman, I think we ought to lose no further time in moving in that direction. The President needs our help—let's help him on this most important matter.

Statement of Congressman Clark W. Thompson Regarding H. R. 371 by Mr. Bentsen

The sentiments which I would like to leave with the committee are those of a layman and one who is fully cognizant that the committee itself is composed of able and experienced lawyers.

Texas held undisputed title to the so-called tidelands out to the traditional 3-league boundary ever since Texas became a State, until the Federal Government stepped in with an adverse claim less than 10 years ago. By its claim the Government undertook to set aside a principle which I have always known as squatters' rights. These rights vary somewhat in different States, but in general if an individual has used and occupied a piece of property for some 10 years and if there have been no adverse claims in the meantime, he has a good title to such property. If the position of the Federal Government is finally sustained in this case, it would seem to me that it would render doubtful any title claimed under squatters' rights.

I have often noted in the course of the tidelands controversy in recent years that Texas is represented as trying to grab something that does not belong to it. The Texas position, of course, is that the grab came the other way. Texas had held peaceful possession for many years and continued to do so until the Federal Government asserted its claim.

Certainly the Texas position differs from that of any other State. The agreement with the Federal Government when Texas became a State is perfectly valid and has never been violated by the State. Under the present circumstances and without the passage of the legislation presently being considered, it is the Federal Government which has violated the contract. The opportunity is before your committee to direct that this contract be observed just as a lawyer would insist in any court in the land that a contract between individuals be carried out in accordance with its terms.

Statement of Hon. Walter Rogers

To the Honorable Committee on the Judiciary of the House of Representatives of the United States Congress:

My name is Walter Rogers. I am the Representative in the House of Representatives of the United States Congress for the 18th Congressional District of Texas.

My appearance before this honorable committee is for the purpose of supporting proper legislation for the immediate determination of the dispute now pending between the United States of America and the several States of the Union bordering on the sea, which dispute concerns the ownership of the submerged lands on the coasts of these States. I have introduced a bill that I feel accom-

plishes the purpose and fully and finally settles this question. I shall not burden the committee with detailed testimony as to the several provisions of the bill treating the problem involved, but do call to your attention that this bill is identical in substance with the bill introduced by the distinguished Member of this Congress from Pennsylvania, Hon. Francis E. Walter, a member of this committee, during the 82d Congress, which was passed by the House of Representatives. This committee is thoroughly familiar with the subject matter, having been subjected to exhaustive and extended hearings on every phase of the controversy. It occurs to me that further imposition upon the committee in additional hearings could do no more than provide repetition.

I do want to call to the attention of the committee that the present administration is unqualifiedly committed by the terms of the platform adopted by the Republican Convention duly assembled in Chicago, Ill., in 1952, by straightforward commitments in campaign promises, both written and oral, and by the statements of the present Chief Executive of this Nation, to determine this question in favor of the States bordering on the ocean, as it should have been determined in the first instance. I see no reason for prolonged debate and discussions in the committees on the subject. The issues have been clearly drawn for several years. The Congress has left no doubt in past sessions as to its position. The present administration at the time of adopting its platform and making the promises to the people of this country was fully advised on the subject, or should have been, and I cannot help but be disturbed by further delay and the creation of additional theories concerning the settlement of this question.

Listening to the testimony of the Honorable Herbert Brownell, Attorney General of the United States, when he appeared before this committee on March 3, I was forced to the conclusion that the Attorney General was unfamiliar with the actual issues or was undertaking to advocate a compromise, which could serve only to delay the final determination of the rights involved and at most create additional controversies that are not and should not be a part and parcel of the matter under discussion. It would seem from the testimony of the Attorney General that, in developing his proposed solution, he started from the premise that the only issue involved in the controversy was the amount of dollars and cents each of the coastal States could obtain. Using this premise as a starting point, he seems to conclude that the entire question can be settled by giving some oil and gas and other minerals to the complaining States and thereby put an end to the need for any determination as to the ownership of title to the land. I call to the attention of this committee and to all other interested parties that this controversy, although there has been many printed and spoken words to the contrary, cannot be settled by paying hush money to the Coastal States, and it is my earnest hope that these States will soundly repudiate any proposition that smacks of a compromise of principles. This entire controversy is plainly and simply a boundary dispute. These Coastal States owned the land to their historic boundaries and the Federal Government undertook, by the exercise of its sovereign power, to unite the fee title into the sovereign power and to fix the entire property rights in the Federal Government. This unconscionable theory was supported by the Supreme Court through legal gymnastics in the California, the Texas, and the Louisiana cases. The responsibility to correct this grievous wrong now rests upon the shoulders of Congress. The 82d Congress assumed and discharged that responsibility by passing the tidelands bill, to wit, Senate Joint Resolution 20, the bill that was vetoed by President Harry Truman.

It is my opinion that Congress is again ready to discharge the responsibility of rectifying the wrong by the passage of the same type of legislation. The question is whether or not the new administration is prepared to carry out its unqualified commitments to correct the wrong. The presentation of new theories, as that advanced by Attorney General Brownell, is nothing short of begging the question. There is no need to dodge the question or to try to indulge in further legal mental gymnastics. The Supreme Court has already won the prize in that field, and I do not think that Mr. Brownell can give them much competition. It would become Mr. Brownell and the present administration to forget the dollar mark and consider the matter of principle—the principle upon which the Coastal States stand and also the principle involved in the commitments and promises made by the new Administration concerning this matter. Texans are not prepared, and it has not been their tradition, to compromise their principles for a few paltry dollars. The historic boundaries of Texas have been encroached upon, and this wrong can only be remedied by the withdrawal of the encroacher. Whether or not oil and gas underlies the submerged lands within 3 marine leagues from the low water mark off Texas' coastline is not the question to be

answered. If oil and gas does underlie that land, it is well and good, since the land belongs to Texas and always has, and the proceeds of those minerals should go to Texas. If there is no oil and gas under this strip, Texas still wants what rightfully belongs to her and will not be heard to complain if someone else finds oil and gas under their coastal waters. It is high time that the issue be faced squarely and fairly and that the slippery practices of the past cease.

I respectfully commend the committee for the outstanding work that all of its members have done on this problem, and express my appreciation for your kindness in permitting me to appear before you with these remarks.

REMARKS OF HON. GEORGE S. LONG OF LOUISIANA

Mr. Chairman and gentlemen of the Judiciary Committee, the United States Government now owns 24 percent of all the land in our mainland. This does not include the Indian reservations.

Besides owning all of this land, our Uncle Sam apparently is bent upon going into this landlord business on a whole-hog basis. Only one other government in the world is a larger landholder. That is Red Russia, which owns or controls all of the land in that Communist country where private ownership is forbidden.

Less than 25 years ago the United States Government owned 33 percent of all the land in 11 western States. Today it owns 54 percent of it. This land pays no taxes for the support of our schools, colleges, universities, highways, and other public improvements of local and State governments.

Now, after acquiring ownership of one-quarter of this Nation's soil and a staggering number of dwelling units, the United States is trying to reach out to sea and lay claim to ownership of those areas off the shores of some of our States. The United States seeks to grab the oil and gas in these off-shore areas. Who knows when this grab will be extended to fisheries, port and dock rights, beach facilities, and each and every other use related to our coastal waters?

Whither are we drifting?

Where is all of this to end?

It is a serious, a very critical situation. It constitutes a dire threat to our American system of government. What is to happen to private ownership and development under this new system? Where does it leave free enterprise which is the heart and soul of our American capitalistic system?

It is bad enough that Uncle Sam has gone into the land and housing business in a wholesale way. He at least presumably has a sound and marketable title to these possessions. In the case of the tidelands, he seeks to acquire additional possessions without any just claim to title.

I admit that the United States has paramount power and dominion over navigation, commerce, war activities, etc., but this does not bestow title to the soil and resources in navigable waters upon the United States nor does it destroy title, whether in States or in private owners.

Title of all States in the American Union to the soil and all resources in their navigable waters is supported by the Declaration of Independence, the Treaty of Independence with the British Crown, entered into in 1783, and several United States Supreme Court decisions.

I do not believe that anyone will dispute the proposition that if the United States does not have title to the submerged lands beneath navigable waters within the respective State boundaries, it is not entitled to them or whatever they may produce.

If we are to intelligently discuss the question of title to these submerged lands, we must look back to the original source of such title. This would, of course, stem back to the time when the original States became free and independent sovereign States under the Declaration of Independence on July 4, 1776.

Then, we find that the next link in the States' chain of title to these lands was developed by the provisional treaty which was entered into by and between the original States through the Congress of the Confederation and the British Crown on November 30, 1782, in which we find the following provision:

"Article 1st. His Britannic Majesty acknowledges the said United States, viz. New Hampshire, Massachusetts Bay, Rhode Island and Providence-Plantations, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Maryland, Virginia, North Carolina, South Carolina and Georgia, to be free, sovereign and independent states; that he treats with them as such; and for himself, his heirs and successors, relinquishes all claims to the government, proprietary and

territorial rights of the same, and every part thereof: and that all disputes which might arise in future on the subject of the boundaries of the said United States may be prevented, it is hereby agreed and declared, that the following are and shall be their boundaries, viz:

"Article 2d. * * * East by a line to be drawn along * * * the rivers that fall into the Atlantic Ocean from those which fall into the river Saint Lawrence; comprehending all islands within twenty leagues of any part of the shores of the United States."

This provisional treaty was ratified by the definitive treaty on April 11, 1783, between the original States through the Congress of the Confederation of the United States.

Therefore, by both the Declaration of Independence and the treaty with the British Crown which followed the Revolution, the Original Thirteen States were free and independent sovereign States, to whom the British Crown had relinquished not only all claims to the Government, but also all proprietary and territorial rights of the same.

For the next 6 years, or until the United States Constitution was written in the 1787 Convention and ratified, finally, in 1789, the original States functioned under Articles of Confederation, article IX of which provided that, "No State shall be deprived of territory for the benefit of the United States."

In *Harcourt* v. *Gaillord* (12 Wheat. 523) (1827), the United States Supreme Court held, "There was no territory within the United States that was claimed in any other right than that of some one of the Confederate States; therefore, there could be no acquisition of territory made by the United States distinct from, or independent of some one of the States."

When the Constitution was written by the 1787 Convention of delegates from the original States, they were very careful to provide that the blood-bought right of government and their proprietary and territorial rights confirmed by the treaty with the British Crown in 1783, was made the supreme law of the land by a specific provision in the United States Constitution, which the people of the original States ratified finally in 1789.

Article VI, clause 2 of the United States Constitution, provides:

"This constitution, and the laws of the United States which shall be made in pursuance thereof; and all treaties made, or which shall be made, under the authority of the United States, shall be the supreme law of the land; and the judges in every state shall be bound thereby, anything in the constitution or laws of any state to the contrary notwithstanding."

In this connection, it should be pointed out that on Saturday, August 25, 1787, on motion of Mr. Madison, made in the Convention, article VIII (later made article VI by the Committee on Style and Revision) was reconsidered and, after the words "all treaties made," were inserted the words "or which shall be made," with the explanatory statement: "This insertion was meant to obviate all doubt concerning the force of treaties preexisting, by making the words 'all treaties made' to refer to them, as the words concerned would refer to future treaties" (69th Cong., 1st sess., H. Doc. No. 398, at p. 618).

So it is that the 1783 treaty of the Revolution by which the British Crown relinquished to the original States all "proprietary and territorial rights" of the British Crown became, and is now, the supreme law of the land.

The same article VI of the Constitution requires all Members of Congress, and State legislatures, and all executive and judicial officers, both of the United States and of the several States, to support this Constitution, which makes said treaty the supreme law of the land.

The Supreme Court of the United States has, on more than one occasion, interpreted and confirmed the proprietary rights thus acquired by the original States in all of the submerged lands within their boundaries. This will be clearly seen by a reading of the decision by the United States Supreme Court in the case of *Martin* v. *Waddell* cited as 16 Peters (41 U. S. 367) and also *McCready* v. *Virginia* (94 U. S. 391), both very old cases.

In the McCready case the Supreme Court had this to say:

"The principle has long been settled in this Court, that each State owns the beds of all tidewaters within its jurisdiction, unless they have been granted away. In like manner, the States own the tidewaters themselves, and the fish in them, so far as they are capable of ownership while running. For this purpose the State represents its people, and the ownership is that of the people in their united sovereignty. Citing *Martin* v. *Waddell* (1842), supra. The title thus held is subject to the paramount right of navigation, the regulation of which in respect to foreign and interstate commerce has been granted to

the United States. There has been, however, no such grant of power over the fisheries. These remain under the exclusive control of the State. * * * The right which the people of the State thus acquire comes not from their citizenship alone, but from their citizenship and property combined. It is, in fact, a property right, and not a mere privilege or immunity of citizenship."

"THE TITLE OF NEW STATES

"The title of new States admitted into the American Union since the adoption of the Constitution, to their submerged lands was recognized by our Supreme Court in 1945. In that year the Court in *Pollard* v. *Hagan* (3 How. 212), had this to say:

"'By the preceding course of reasoning we have arrived at these general conclusions: First, the shores of navigable waters, and the soils under them, were not granted by the Constitution to the United States, but were reserved to the States, respectively; secondly, the new States have the same rights, sovereignty, and jurisdiction over this subject as the original States.'"

In this and many other cases, the United States Supreme Court has held over a period of many years that the various American States have owned their tidelands.

You might wonder—and for that matter, so do I—why the successor to this same Court in 1947 and again in 1950 upset the settled and accepted law of the land in the now famous California, Texas, and Louisiana tidelands cases. Apparently without rhyme or reason was this radical departure made from the sound and well-reasoned doctrine laid down by the jurisprudence and settled law of the land.

It can only be explained by the unfortunate trend in recent years toward a paternallistic, a centralized government.

STATEMENT OF ELLEN BRYAN MOORE, REGISTER OF STATE LAND OFFICE, STATE OF LOUISIANA

Mr. Chairman and members of the committee, my name is Ellen Bryan Moore. I am the duly elected, commissioned, and acting register of the State land office of the State of Louisiana, with official headquarters and personal domicile in the city of Baton Rouge, La.

I deeply appreciate the courtesy and privilege of making this appearance before your committee in order to express my deep concern in the legislation now pending before you.

I would like to say, first of all, that the official duties of the register of State land office in the State of Louisiana are, in general, the same as those of the commissioner of public lands in other States of the Union. Louisiana public lands, which are subject to entry and sale or other disposition, are under the control and administration of the register.

I have duties and responsibilities prescribed by statute that are broader in scope than those usually performed by land commissioners in most States; for instance, one of my official responsibilities is to collect all revenue derived from the leasing of State-owned lands in Louisiana for oil, gas, and mineral development. As a matter of fact, the State land office is the second largest revenue-collecting agency for the State of Louisiana.

Some 3 million acres of submerged coastal lands in the marginal belt of the State of Louisiana have been leased for oil, gas, and mineral development. Under State leasing in that belt, a total of 14,430,093.45 barrels of crude oil has been produced, and 46,386,661 M. c. f. of gas. I have collected on behalf of the State of Louisiana $41,989,430.89 in bonuses and royalties and $1,177,411.22 in rentals to December 1952 under State mineral leases affecting submerged coastal lands alone. Of course, I am now referring to leases that were granted before the suit of the United States against the State of Louisiana, generally known as the Louisiana Tidelands case. Since that suit was filed, various State lessees have paid to the United States, through the Secretary of the Interior, $14,372,354.02 in rentals and royalties.

In addition to lease bonuses, rentals, and royalties aforementioned received by the State prior to said suit, the State had received $3,223,321.25 in severance taxes on oil and gas recovery in the areas affected.

While it is only natural for any State official charged with the responsibility of collecting revenue for the State to be deeply concerned in the flow of income

into the treasury of the State, my interest lies deeper. It is of more importance to know where that money is going and for what purposes after it reaches the State treasury. Long since the revenue derived from oil, gas, and mineral leases in submerged coastal lands, as well as lands lying beneath inland navigable waters of the State, has been earmarked and dedicated to a material expansion in State services; the building of roads and the construction of various institutions, including charity hospitals. Of equal importance, perhaps, is the dedication of moneys derived from severance taxes. A vast portion of that revenue goes to the humanitarian program of furnishing free schoolbooks and supplies to schoolchildren.

As an official of the State of Louisiana and as a citizen of that great State, I want to see all of the great work undertaken that the revenue aforementioned serves and to prevent the stability of our State fisc from undergoing material impairment.

I am not a lawyer; in fact, I have never read the decision of the United States Supreme Court in the so-called Tidelands case that was brought against the State of Louisiana by the Federal Government. I only know that, as a result of more than 50 decisions of the very same Court in the past, the several States had every reason to believe that they were secure in their proprietary rights to all lands under navigable waters, whether inland or not, within their respective boundaries. My position is not based on legal argument but moral precepts. I feel that the States should be returned to status quo, and be secured in their property rights, which they enjoyed from the Declaration of Independence down to the time, only a few years ago, when the doctrine of "paramount rights" was held to transcend those of a mere "property owner." I think that 150 years of jurisprudence should be respected and that the history of our Nation in regard to the ownership and control of submerged lands should be given meaning and import.

Obviously the people of Louisiana, want a sound state fisc but we are vastly more concerned in the high principle which underlies our entreaty to Congress to pass legislation which would accomplish fair play and goodwill in Federal-State relations.

It is manifest that our paramount objective is that of having State ownership of lands and resources restored within historic boundaries. Secondly, we desire the development of the natural resources within the Continental Shelf outside the historic boundaries of the States; and due to the fact that the State has spent many years of effort and a great amount of public funds interesting oil companies in developing such areas for oil and gas, which activities and expenditures led to discovery and production, we think that, if Congress authorizes the leasing of such lands for the development of natural resources, the State of Louisiana should obtain a substantial share in the revenue to be derived from such development program.

My position is positive and not negative. In other words, I am here to express my earnest approval of certain legislation without dealing with that legislation which I consider dangerous and inimical, not only to the State of Louisiana, but to the Nation at large. The only statement I care to make in regard to that legislation which proposes to authorize the Federal Government to lease all lands seaward of the low-water mark of the States without restoring the ownership of the states to the lands and resources within their historic boundaries, is that equity would not be done and the initiative and good faith of certain States would be destroyed.

In addition, I would like to make a few brief remarks in regard to the amendment to the last-mentioned bill in which revenue derived from Federal leases would be dedicated to national defense and security and what is left to educational purposes. I have been a schoolteacher for most of the years of my life. I am fully conscious of the great need for an increase in educational advantages, more school facilities and higher salaries for school teachers; however, realizing as I do the great demands that exist for national defense and security, it is rather difficult for me to conceive of any appreciable revenue going to schools or for educational purposes after the demands of national defense and security are adequately served. As a matter of fact, no one can say what money, if any, would go to the schools or for educational purposes after the all-important demands of national defense and security are satisfied. This is not an idle observation. I was one of the first four women in Louisiana to enter the service of the United States Army. I served in the Women's Army Corps for a period of 4 years during World War II. I think that I am in a position to visualize to some extent, at least, the needs of national defense and security in times of emergency and particularly when we are at war.

As a former schoolteacher of many years experience and as a State official, who now views with interest, and a great measure of anxiety, the Federal aid that is given by the United States to the several States for educational purposes, I have reached the definite conclusion that the best way, if not the only way, to avoid waste and inefficiency, is that of placing the several States in position, financially and otherwise, to administer their own educational program.

My understanding is that the dispute over the ownership and control of submerged lands has been going on since 1937. Right now there is a veritable stalemate, and the needs of our people and the demands of national defense are suffering because neither the States nor the Federal Government have the right to lease and develop offshore lands for mineral development. I urge the Congress to take action as quickly as legislative processes will permit to end this debate, to restore the titles of the several States, to authorize the resumption of oil and gas activities in the marginal belts of the States, and to place the several States in the same position that they were in before this dispute arose. Such restoration would only be an exemplification of the American way of life.

STATEMENT OF HENRY D. LARCADE, JR., FORMER REPRESENTATIVE FROM LOUISIANA

Mr. LARCADE. Mr. Chairman, I represent one of the largest oil-producing districts in the State of Louisiana, and our State is the third largest oil-producing State in the United States, and aside from this fact, I am a strong believer in, supporter of States' rights, and I will defend States' rights to the last ditch. Therefore, Mr. Chairman, I am supporting, to the full limit of my capacity, legislation to confirm and establish the title of States to lands beneath navigable waters within State boundaries, and natural resources within such lands and waters, and to provide for use and control of said lands and resources.

Since the Supreme Court's decision on June 23, 1947, in the case of the United States against California, the subject and the decision covering the matter has been of great concern to the people of Louisiana and their State officials, and I share and wish to express the amazement and resentment of the people and the public officials of the State of Louisiana over this decision and the new ideology of government it would establish by enabling the Federal Government to confiscate the tidelands and submerged lands within the boundaries of our State or any State in the Union.

The State of Louisiana is not the only State affected by the decision of the Supreme Court in this matter. Practically every other State in the Union is affected by this decision, and in order to preserve to my State and all other States title to tidelands and lands beneath the navigable waters within their boundaries, I strongly urge my colleagues to vote for the enactment of such legislation. Mr. Chairman, I would go further and say that I urge the defeat of any legislation which would divest the States, parishes, counties, or cities of title to and ownership of their lands and natural resources, without compensation, and vest same in the Federal Government or any agency thereof in any capacity.

It is the first United States decision holding that any private or governmental agency has the right to take property and resources beneath the soil without lease or fee ownership or without compensation to the true owner.

It is also the first decision in America holding that the Federal Government's responsibility to protect the shores can give it rights heretofore identified with the ownership of shores.

Since the Declaration of Independence, both State and Federal Governments had recognized that the ownership vested in the States of all submerged lands within their respective boundaries. Throughout these years legal background was established, and precedent—bulwarked by 244 Federal and State court decisions, 49 United States Attorney General opinions, 32 Department of Interior opinions, and 52 Supreme Court decisions—became so firmly established that State ownership of these lands became recognized as invulnerable to successful attack.

Under these circumstances, Louisiana felt certain and secure in our title to our submerged land and all public lands, for revenues amounting to approximately $60,000,000 has been dedicated and appropriated largely for school purposes. The loss of this continued revenue would seriously affect the economy and tax structure of our State.

All of the tidelands States, since their entry into the Union, have had and exercised their proprietary rights in these submerged lands.

While the Supreme Court denies proprietary rights in these lands to California, it is significant that the Court failed to find that the Federal Government owned the property.

It stated:

"The crucial question on the merits is not merely who owns the bare legal title to the land under the marginal seas. The United States here asserts rights in two capacities transcending those of a mere property owner."

These rights asserted by the Supreme Court are, first, the right and responsibility of the Federal Government to conduct the national defense of this country, and, second, the right and responsibility of the Federal Government to conduct the relations of the United States with other nations.

In this decision the Supreme Court has announced Federal powers which the Congress has refused or failed to convey. Twice the Congress refused to grant specific authority for the Attorney General to sue California for these lands. The Eightieth Congress passed a resolution recognizing State ownership and quitclaiming to the States, only to have it vetoed by the President.

President Truman vetoed the legislation for the alleged reason that the question of ownership was then before the Supreme Court to decide. Now that the Supreme Court's decision has evaded and transcended the question of legal ownership, it is now logical and proper for the President to vouchsafe to the Congress the consideration and determination of the question of ownership.

The Supreme Court's decision and the purport and effect of the so-called administration and Cabinet bills to effectuate it proclaims a new ideology of government in America. This decision and the bills referred to establish a national policy of the Federal Government having paramount rights and dominion over oil, one of the vital natural resources. It would establish a policy and a precedent of nationalization of vital resources. It would further unbalance the Federal-States powers and relationships which were well balanced and defined by the Constitution of the United States. If we are to maintain our form of government in the United States, we cannot afford to take this step toward nationalization and further centralization of power in our Federal Government.

The power and duty of the Congress is crystal clear in its decision of this question. This will not be the first time that the Congress will have found it necessary to nullify decisions of the Supreme Court which result in legislation rather than judicial interpretation and decision. Justice Reed, in dissenting from the Supreme Court decision in the California case, said:

"This ownership in California would not interfere in any way with the need or rights of the United States in war or peace. The power of the United States is plenary over these underseas lands precisely as it is over every river, farm, mine, and factory of the Nation. While no square ruling of this Court has determined the ownership of these lands, to me the tone of the decision dealing with similar problems indicates that without discussion State ownership has been assumed."

Some of the more than 54 decisions handed down by the United States Supreme Court in the past 100 years and more have finally held as follows:

In the case of *Martin* v. *Waddell* (16 Peters 410), the United States Supreme Court, in 1842, held:

"For when the Revolution took place, the people of each State became themselves sovereign, and in that character held the absolute right to all their navigable waters and the soils under them for their own common use, subject only to the rights since surrendered by the Constitution to the General Government."

Again, in 1845, the United States Supreme Court held in the case of *Pollard v. Hagan* (3 How. 223):

"When Alabama was admitted into the Union on an equal footing with the original States, she succeeded to all the rights of sovereignty, jurisdiction, and eminent domain which Georgia possessed at the date of the cession, except so far as this right was diminished by the public lands remaining in the possession and under the control of the United States, for the temporary purposes provided for in the deed of cession and the legislative acts connected with it. Nothing remains to the United States, according to the terms of the agreement, but the public lands; and if an express stipulation had been inserted in the agreement granting the municipal right of sovereignty and eminent domain to the United States, such stipulation would have been void and inoperative because the United States has no constitutional capacity to exercise municipal jurisdiction, sovereignty, or eminent domain within the limits of a State or elsewhere, except in the cases in which it is expressly granted.

"The right of Alabama and every other new State to exercise all the powers of government which belong to and may be exercised by the original States of the Union must be admitted, and remain unquestioned, except so far as they are temporarily deprived of control over the public lands. (Such waste and unappropriated lands ceded to the United States under the old Congress of September 6, 1780, to aid in paying the public debt incurred by the War of the Revolution, providing that 'whenever the United States shall have fully executed these trusts, the municipal sovereignty of the new States will be complete, throughout their respective borders, and they, and the original States, will be upon an equal footing in all respects whatever.')"

The above case was affirmed in 1850 in *Goodtitle* v. *Kibbe* (9 How. 478).

In *McCready* v. *Virginia* (94 U. S. 391, in 1876), the United States Supreme Court again decided:

"The principle has long been settled in this Court that each State owns the beds of all tidewaters within its jurisdiction, unless they have been granted away. * * * And, in like manner, the States own the tidewaters themselves and the fish in them so far as they are capable of ownership while running. For this purpose the State represents its people and the ownership is that of the people in their united sovereignty. * * * The right which the people of the State thus acquired comes not from their citizenship, alone, but from their citizenship and property combined. It is in fact a property right and not a mere privilege or immunity of citizenship."

Citing the elder cases of *Pollard* v. *Hagan* (3 How. 212); *Smith* v. *Maryland* (18 How. 74); *Mumford* v. *Wardwell* (6 Wall. 436); *Weber* v. *Harbor Comrs.* (18 Wall. 66).

In the Abby Dodge case decided in 1912, reported in 223 United States 166, the United States Supreme Court held that the State of Florida owned the soil and the sponge beds in the water bottoms of the Gulf of Mexico within the boundary of the State of Florida.

It is unnecessary to cite from the numerous decisions of the United States Supreme Court sustaining the same principle of ownership of submerged lands within their borders by the various States of the Union. These are covered fully in a memorandum filed by the attorney general of Louisiana and various others.

But here let me cite only some of the United States Supreme Court decisions relative to the ownership of the State of California by virtue of its inherent sovereignty, as granted and recognized by the act of Congress admitting California as a State into the Union, which at this late date the Secretary of the Interior would deny, and the recent decision of October 1946 confounds with the Federal Government's paramount power and dominion.

In 1873 the United States Supreme Court again held in the case of *Weber* v. *Harbor Comrs.* (18 Wall. 57):

"Upon the admission of California into the Union upon equal footing with the original States absolute property in, and domination and sovereignty over, all soil under the tidewaters within her limits passed to the State, and with the consequent right to dispose of the title to any part of said soils in such manner as she might deem proper, subject only to the paramount right of navigation over the waters, so far as such navigation might be required by the necessities of commerce with foreign nations or among the several States, the regulation of which was vested in the General Government."

In 1867, in *Mumford* v. *Wardwell* (6 Wall. 423, 436), the United States Supreme Court again held that when California was admitted into the Union in 1850, the act of Congress admitting her declares that she is so admitted on an equal footing in all respects, with the original States and that—

"The settled rule of law in this Court is, that the shores of navigable waters and the soils under the same in the original States were not granted by the Constitution to the United States, but were reserved to the several States and that the new States since admitted have the same rights, sovereignty, and jurisdiction in that behalf as the original States possess within their respective borders.

"When the Revolution took place the people of each State became themselves sovereign and in that character held the absolute right to their navigable waters and the soils under them, subject only to the rights since surrendered by the Constitution.

"Necessary conclusion is that the ownership of the lot in question (flat in San Francisco Bay), when the State was admitted into the Union, became vested in the State as the absolute owners, subject only to the paramount right of navigation."

And, as recently as in 1935, the United States Supreme Court again held in *Borax, Ltd.* v. *Los Angeles* (296 U. S. 10), that tidelands in California passed to the State upon her admission to the Union, said that the Federal Government had no right to convey tideland which had vested in the State by virtue of her admission.

In that case the city of Los Angeles brought suit to quiet title to lands claimed to be tidelands owned by it under a legislative grant by the State of California; while the Borax Co. claimed under a patent of the United States in December 1881 which, in the words of the Court "purported to convey land on the Pacific Ocean."

The Court through Chief Justice Hughes quoted from the above-cited case of McCready against Virginia, and held that the lands in question were tidelands.

The Federal Government had no right to convey tidelands which had vested in the State by virtue of her admission.

Specifically, the term "public lands" did not include tidelands.

In this connection the United States Supreme Court again held:

"The soils under tidewaters within the original States were reserved to them, respectively, and the States since admitted to the Union have the same sovereignty and jurisdiction in relation to such lands within their borders as the original States possessed (p. 15)."

And, that these lands being tidelands, "title passed to California at the time of her admission to the Union in 1850."

That the Federal Government had no power to convey tidelands which had thus vested in a State—citing Pollard against Hagan, Goodtitle against Kibbe above.

It has been stated that all courts of the land consistently have followed the decisions of the United States Supreme Court, establishing a well-settled jurisprudence in this country, that the States and their grantees own the submerged lands within their borders.

By contrast the United States Supreme Court in October 1946, pretended that the State of California had invaded the title or paramount right asserted by the United States to an area of tideland within that State's boundary, and that California had converted to its own use oil which was extracted from these tidelands, which had never before been recognized as its own property.

"This alone," said the Supreme Court, "would sufficiently establish the kind of concrete, actual conflict of which we have jurisdiction under article III."

That smacks of the fabled wolf that ate up the helpless little lamb.

The United States Supreme Court had repeatedly recognized and judicially stated the right and title of the coastal States of the Union, including California, to the tidelands within their boundaries or jurisdiction.

In 1876, in McCready against Virginia, above, the United States Supreme Court adjudicated with almost solemn and poetic dignity upon the united sovereignty of the people of the States, and held that the principle was long settled in this Court, that each State owns the beds of all tidewaters within its jurisdiction, and owned the tidewaters themselves and the fish in them so far as they are capable of ownership, and that for this purpose the State represents its people, and that such ownership is that of the people in their united sovereignty and in fact is a property right and not a mere privilege or immunity of citizenship.

What a far cry is that decree of the highest Court of our land of the free, from that of the highest Court of the same land of regimented nationalization, which now solemnly holds that where that sovereign right of ownership in the people of a State, which it now refers to as the "bare legal title" to the lands under the marginal sea is questioned by this Federal Government, the right of power and dominion of the United States transcends those of a mere property owner.

Thus for the first time the United States Supreme Court has adopted and put into effect the totalitarian doctrine of the supremacy of the state over the people, or that the people have no property or right whenever the Federal Government wishes to appropriate, because of its power and dominion.

The Supreme Court ignored all its prior jurisprudence on the subject of tidal ownership by the individual State for its sovereign people, and its repeated decisions since 1842 that the Original Thirteen States absolutely owned all their navigable waters and the soils under them for the common use of the sovereign people of each State, subject only to the rights surrendered by the Constitution to the Federal Government—navigation, interstate and foreign commerce, and

national defense—and that all States since admitted into the Union succeeded to the same ownership and rights of sovereignty.

However, the Supreme Court did, with seeming compunction, admit the right and power of Congress to legislate on the matter of recognizing the century-old fact of tidal ownership in the States for their sovereign people, or ratify and confirm their totalitarian decree, either by positive action or inaction.

Further, to cap the climax, Mr. Ickes, former Secretary of the Interior, who agitated this Federal land grab, declared officially that he recognized the settled law that title to the soil within the 3-mile limit is in the State and cannot be appropriated except by the authority of the State. In his letter dated December 22, 1933, to Mr. Proctor, of Long Beach, Calif., rejecting his application for a lease under the Federal Leasing Act of 1920, Mr. Ickes stated:

"It has been distinctly settled that * * * the title to the shore and lands under water in front of lands so granted inures to the State within which they are situated. * * * Such title to the shore and lands under water is regarded as incident to the sovereignty of the State * * *.

"The foregoing is a statement of the settled law, and therefore no right can be granted to you either under the Leasing Act of February 25, 1920 (41 Stat. 437), or under any other public-land law to the bed of the Pacific Ocean either within or without the 3-mile limit. Title to the soil under the ocean within the 3-mile limit is in the State of California and the land may not be appropriated except by authority of the State."

The record shows that on Wednesday, October 5, 1949, the Solicitor General appeared and testified for and on behalf of the Department of Justice and the Secretary of the Interior appeared and testified in person on this subject.

Whereas the Secretary of the Interior based his entire testimony and claim for Government control of the tidelands and resources of all the coastal States of the Union on the ground that it was necessary for national defense, he did not elaborate to show in what manner Federal control could produce the petroleum necessary for national defense in times of emergency any better than has been done in the past under State ownership and development through private enterprise.

On the other hand, the same Secretary of the Interior, Mr. Krug, testified on the same subject on March 3, 1948, at the joint hearings before the Committees on the Judiciary—see page 741 of the report—that the States and the oil industries "had done a miraculous job" and he thought "they would continue to do a miraculous job." Therefore, the Secretary of the Interior has no substance to his claim for national control of the oil resources in the submerged coastal lands adjoining the coastal States of the Union.

The Solicitor General testified on Wednesday, October 5, 1949, that the claim of the United States was based on the premise that the United States had title to the submerged coastal lands, that the United States Supreme Court had so held in the California case, and that "if the United States did not have title, they were not entitled to it."

The treaty of 1783 relinquished tidelands to the original States.

Evidence has been submitted to this committee by District Attorney L. H. Perez for the State of Louisiana, that not only by virtue of the Declaration of Independence and the Revolution, but by the treaty made with Great Britain after the successful Revolution of the Original States, the British Crown specifically "relinquished" all claims to "proprietary and territorial rights" of the several Thirteen Original States and "every part thereof."

The same treaty fixed the boundaries of the Original States extending into the Atlantic Ocean, and comprehending all islands within 20 leagues of any part of the shores of the United States.

This treaty is a most important instrument which apparently has slept in the archives of the Department of State these many years without reference, especially in the issue raised by the Department of the Interior for national control of the States' submerged coastal lands and their resources.

It further appears from the record of the Constitutional Convention of 1787, which wrote the United States Constitution, that the Founding Fathers were very, very careful in having it provide in article 6, that all treaties made under the authority of the United States shall be the supreme law of the land.

The record of the convention published by authority of the Sixty-ninth Congress, first session, House Document 398, page 618, bears out the fact that when that provision was adopted in the Constitution, James Madison made certain that

the provision "all treaties made" was intended to obviate all doubt concerning the force of treaties preexisting.

Naturally, the one treaty which was foremost in importance to the Original States was the treaty of Independence with the British Crown in 1783, after their successful Revolution.

Therefore, we find that the provision in the treaty of 1783 by which the British Crown relinquished to each of the Original States all the proprietary and territorial rights of the Crown, and fixed the boundaries of the States in the Atlantic Ocean extending 20 leagues of any part of the shores of the United States was made the supreme law of the land.

We are all sworn by our oaths of office to support the Constitution of the United States and all treaties made, as well.

Our obligation, therefore, in the oaths of office compels us to respect and support that provision of the treaty of 1783 by which the British Crown relinquished to the Original States all proprietary and territorial rights formerly held by the Crown.

ORIGINAL STATES' TITLE TO TIDELANDS UPHELD BY SUPREME COURT

While I am not a lawyer, I know from decisions of the United States Supreme Court that since 1842 in the case of *Martin* v. *Waddell* (reported in 16 Peters (41 U. S.) 367), the United States Supreme Court held that when the Revolution took place each State became themselves sovereign and in that connection hold the absolute right to all their navigable waters and the soils under them for their own use, subject only to the rights since surrendered by the Constitution to the General Government.

Further, that the United States Supreme Court held in 1867 in *Memford* v. *Wardwell* (6 Wall. 423, 436), that it is a settled rule of law in this country that the shores of navigable waters and the soils under the same in the Original States were not granted by the Constitution to the United States but were reserved to the several States, and that any States since admitted have the same rights, sovereignty, and jurisdiction in that behalf as the Original States possessed within their respective borders.

STATES LATER ADMITTED HAVE SAME TITLE

We know, too, that the Court held to the same effect in the case of Alabama in 1845 in the case of *Pollard* v. *Hagan* (44 U. S. 3 How. 212), that a patent issued by the United States, under an act of Congress, to submerged lands in the State of Alabama was invalid because to Alabama belonged the navigable waters and soils under them, subject only to the rights surrendered by the Constitution to the United States.

These include, of course, such as the right to control over commerce, interstate and foreign, navigation, which are regulatory powers, and other specially delegated powers as provided in the United States Constitution in the sphere of which delegated powers the United States has paramount domination and control.

UNITED STATES HAS NO TITLE TO TIDELANDS

Because of all the controversy over the California case, and the claims made for the United States as a result of the decision in that case, it is necessary to point out that when the Court handed down its opinion in that case, it directed the parties to submit a form of decree for consideration by the Court.

The Attorney General and Solicitor General for the United States submitted a form of decree to be handed down by the Court, which read in part as follows:

"That the United States of America is now, and has been at all times pertinent hereto, possessed of paramount rights of proprietorship in, and full dominion and power over, the land, minerals, and other things underlying the Pacific Ocean lying seaward of the ordinary low-water mark on the coast of California, and outside of the inland waters, etc."

Now proprietorship, or proprietary, means "One who has the exclusive title to a thing; one who possesses or holds the title to a thing in his own right."

But the Supreme Court definitely rejected the suggestion of title being in the United States by striking out from the decree the words "of proprietorship," and the Court definitely ruled against the claim of the United States to fee simple title in the submerged coastal lands of California.

The Court held that the United States had paramount rights and full dominion and power over the lands, minerals, and other things seaward of California's coast and outside its inland waters.

But permanent power, full dominion and control of the Federal Government in its delegated powers under the Constitution is two well recognized to question or to make so much over at this time. It simply means "regulatory" powers of navigation, interstate and foreign commerce, over the waters, the same as over the land area of the United States, and in that sphere the United States is supreme and has "paramonnt power." However, this does not include or imply that the United States has a right to confiscate property. It only means that the United States had governmental regulatory power.

Certainly, the title of the States to their submerged coastal lands dated back to the Declaration of Independence, the treaty of 1783 with the British Crown, and the provision in the United States Constitution which makes that treaty the supreme law of the land, and thereby recognizes the right to the title of the Original States to all their submerged lands, waters, and resources within their boundaries as provided for in that treaty. Just as certain it has been consistently held, time and time again, over a hundred years by the United States Supreme Court, that all States since admitted are on an equal footing with the Original States and have the same property and rights in all their submerged coastal lands and waters and resources.

Therefore, it is plain that the United States has no title to the submerged lands and resources of the coastal States, that all States have title to these submerged coastal lands as well as their inland waters and resources. There is no justification for further pressing Senate bills S. 923 and S. 2153, as stated by the Solicitor General "if the United States doesn't have title, they are not entitled to it."

On the other hand, Senate bill 1545 confirms the property rights of the States to their submerged lands and resources.

I submit that Congress for the United States should relinquish all claims to proprietary and territorial rights which belong to the States, including all their submerged coastal lands and inland waters and the resources thereof, just as the British Crown relinquished them to the Original States by the treaty of 1783, which we are all sworn to uphold by provision of the Constitution.

Mr. Chairman, I would like to read in the record a statement made before the Senate Interior and Insular Affairs Committee at a recent hearing on the tidelands question by a learned and distinguished jurist from Louisiana, the Honorable Frank Looney, of Shreveport, La., who said:

"The Congress is the department to which has been given the power to make rules and regulations concerning the disposal of the territory of the United States.

"It follows that the marginal belt is subject only to Congress if it be part of the territory of the United States.

"The territory of the United States may consist in fast land and in submerged land.

"The ultimate purpose of territory is to be incorporated in a State. Otherwise each maritime State would not be in effect a riparian State but beyond low water would be hedged in by a belt. Any invasion from the sea beyond would necessarily be an invasion of United States territory and the provision of the Constitution as to repelling invasion would be uncalled for.

"To dispose of property it must be exclusively vested in the disposal, hence its limits should be clearly defined.

"There is no power given to the United States to assume control of any State property, not even to protect the State itself, unless the Government is invited by State authority.

"To define the limit of State and United States territory if contiguous requires a boundary suit.

"The mere declaratory statement that 3 miles of open sea is within the control of the United States does not establish the location of this belt.

"The Government strenuously denied that the suits against Louisiana and Texas were or could be considered boundary suits.

"The mere claim to property, which in fact may not be subject to ownership by the United States, does not give the right to go upon it. The United States itself brought suit against Texas to establish the boundary of the Indian Territory. The Constitution itself proves that no claim of State or United States should be prejudiced by this Constitution, and Story in his work on the Constitution says that was suggested by the sentence in Articles of Confederation,

article 9, that 'no State should be deprived of property for the benefit of the United States."

"To pass this act before State external boundaries on the sea were lawfully fixed would produce endless confusion that could only be ended by local proceedings formerly eschewed, namely, boundary units.

"The Government of the United States has today the authority to enact legislation which would end this confusion without interfering with any State's rights.

"In *Skiriotes* v. *Florida* (313 U. S., p. 79) the court recognized the dual authority of the State and United States over their respective citizens, saying 'the sovereign authority of the State over the conduct of its own citizens upon the high seas is analogous to the sovereign authority of the United States over its citizens in like circumstances.' Since there can be no dispute that the United States may prohibit as a matter of defense, any marine exploration, for a reasonable distance from its shore, by foreign governments, their citizens or subjects; it has the right to regulate such operations on the high seas by its own citizens and can, through imposing licenses or royalties on citizen exploration, exercise that paramount authority which it has.

"The State of Texas was admitted to the Union on an equal footing with other States. The territorial limits of the Original States have been conceded to be those fixed by the charters of those States and their claims of boundary at the date of the Declaration of Independence.

"Texas had defined her limits of 3 leagues in the Gulf of Mexico—at that time the doctrine of the cases of *Harcourt* v. *Gailliard* and *R. I.* v. *Massachusetts*, that the external boundaries of the United States is the external boundaries of the States was not disputed.

"At that date, even in the eyes of the United States Supreme Court, as expressed in the California case, the claim of an independent State to a marginal belt was admitted, as it had been the law since 1794, when England entered into the treaty with the United States.

"It follows that Texas as an independent republic possessed that right. This is confirmed by the Treaty of Guadalupe Hidalgo after Texas was admitted. Louisiana admitted in 1803, in full sovereignty, was equally secure in that right.

"Supreme Court decisions in the early years of the nineteenth century clearly establish this. *Rose* v. *Himely* and *Hudson* v. *Gustier*, held a municipal law made by France governing San Domingo, then its colony, claiming 2 leagues was valid.

"In *The Ann* (3 Wh. 435)—that a similar Spanish regulation was within the law.

"And Justice Story in the leading case of *The Ann* (F. C. 397) cited publicists who had been dead long before 1776 and used the language 'all the writers on public law agree that every nation has exclusive jurisdiction to the distance of a cannon shot or marine league over the waters adjacent to its shores.' He cited Bynkershock, who was dead a generation before 1776, and Azuni, a contemporary.

"And though the Supreme Court in the California case cites Azuni in note 10 as sustaining its decision that no 3-mile limit exhausted when the Constitution was written, the text of Azuni proves that while he too cited Bynkershock, he raises the marginal belt to 2 leagues.

"Justice Story cited *Church* v. *Hubbart* in *The Ann*, and in the Church case C. J. Marshall wrote 'The authority of a nation in its own territory is absolute and exclusive. The seizure of a vessel within the range of its cannon shot by a foreign force is an invasion of that territory and is a hostile act which is its duty to repel.'

"Unfortunately these decisions were not considered in the California, Texas, and Louisiana cases."

Mr. Chairman, the National Association of Attorneys General submerged lands committee has issued a statement giving the true reasons why congressional action confirming State ownership of submerged lands is favored, which I read as follows:

"STATEMENT OF THE REASONS FOR SUPPORT OF H. R. 4484 BY WALTER

"1. Each of the 48 States owns and possesses valuable submerged lands within its boundaries, the revenues from which are devoted to education and other important functions of State government.

"2. The title of each of the 48 States to its submerged lands, whether inland or coastal, has been held under a century-old rule of law that this property is owned by the individual States rather than by the Federal Government.

"3. This long-recognized rule of law, applicable to the waters and submerged lands of every State, has been destroyed and State titles clouded by the Supreme Court's tidelands decisions. The way has been opened for foreign nations to claim resources within our territorial waters.

"4. Legislation is necessary for each of the 48 States in order to restore and confirm their ownership of navigable waters and submerged lands within their respective boundaries.

"5. H. R. 4484, by WALTER, of Pennsylvania, restoring the law of State ownership of this property, applies not only to the 28 coastal and Great Lakes States but to each of the 48 States.

"6. A quitclaim to the States is no gift. Equity and justice demand restoration of the property which the States have held and developed in good faith, reliance upon 53 previous decisions of the Supreme Court of the United States.

"7. Nationalization of this property would result in less development of resources. The States and their local units of government are more closely concerned and better equipped to manage and develop the property, and State ownership has not interfered and would not interfere with the Federal powers of national defense, navigation, etc.

"8. H. R. 4484, by WALTER, confirms State ownership of only those lands lying within original State boundaries. Nine-tenths of the Continental Shelf lies outside of original State boundaries and is vested by this bill in the Federal Government.

"9. Congress, which has final power to act in this controversy, has been ignored and circumvented by executive officials in the attempted seizure of this property from the States.

"10. The principles of the tidelands decisions, if not erased from the law of the land by act of Congress, could lead to nationalization of private lands as well as State lands without compensation.

"11. The only oil lobby involved in this legislation is opposing State ownership in order to obtain cheap Federal leases. The idea of devoting revenues from these lands to Federal aid to education was originated by this lobby for use against State ownership legislation.

"12. Each of the 48 States owns and possesses valuable submerged lands within its boundaries, the revenues from which are devoted to education and other important functions of State government.

"Every State in our Nation has lands beneath navigable waters which produce valuable resources and revenues. A list of the States, showing the amount of acreage claimed by each, is printed on the opposite page. A map showing the relative areas is appended as the last page in this brief.

"As shown in House and Senate committee hearings during the past 3 years, every State receives valuable revenues from these lands. Oil or oil lease revenues are now being received from submerged lands not only by Texas, Louisiana, and California, but also by Florida, Mississippi, Alabama, South Carolina, Maryland, Washington, Oregon, and the inland States of Oklahoma, Arkansas, Kansas, Kentucky, Pennsylvania, Utah, West Virginia, and the Great Lakes States of Indiana and Michigan.

"Oil is not the only resource being produced by the States from their submerged lands. Nature's law of compensation has cared equally well for those States whose rivers, lakes, and marginal seas have not yet been tapped for petroleum. Maine has its rich kelp beds on which leases have been made within its 3-mile marginal belt for production of iodine. Arizona, Kentucky, and Missouri sell sand and gravel from their river and lake beds; Colorado and Idaho lease their lands for gold production; Connecticut, Delaware, Maryland, and Rhode Island sell leases and permits for oyster, clam, and shellfish cultivation. Iowa, Pennsylvania, and West Virginia produce coal from their riverbeds, and Minnesota and Wisconsin have rich deposits of iron ore under the Great Lakes which lie partially within their boundaries. New York has millions invested on filled lands and within the marginal sea at Coney Island and on Long Island, and the same is true at Atlantic City in New Jersey and at Miami and other Florida resorts.

"All of the States have one or more valuable resources within or beneath their submerged lands from which they are now receiving revenues for their schools or other public funds. All States are also jealous of their water and water rights in navigable streams, this being perhaps the most valuable resource of all, and it is one that the Department of Interior longs to control."

STATEMENT OF CONSTANTINE N. PERKINS, DEPUTY CITY ATTORNEY OF THE CITY OF LOS ANGELES AND ITS BOARD OF HARBOR COMMISSIONERS

Mr. Chairman and gentlemen of the committee, my name is Constantine N. Perkins. I am a deputy city attorney of the city of Los Angeles and one of the attorneys for the board of harbor commissioners of that city which board is the governing body of the port of Los Angeles acting under and pursuant to the provisions of a freeholder's charter adopted and approved by the laws of the State of California. Certain park and recreational facilities of said city are similarly placed under a board of recreation and park commissioners and certain sewer plants and submarine outfall extensions owned by said city are under the control and management of a board of public works. As a representative of the city of Los Angeles, I speak briefly for a large segment of the population of southern California of 2 million or more and a considerable area of that State bordering on harbors and bays as well as the so-called marginal sea, to urge the adoption of Senate Joint Resolution 13.

Los Angeles has enjoyed a remarkable growth during the past few years, and its problems are many and varied, not the least of which has resulted from the decision of the United States Supreme Court in *United States* v. *State of California* which has served to unsettle and confuse the seaward limits of San Pedro Bay and Los Angeles Harbor to the extent that we no longer know the limits of our jurisdiction and control over so-called inland waters. As the grantee of the State of California (Calif. Stat. 1911, p. 1256; 1917, p. 159; 1929, p. 1085), the city of Los Angeles is the owner of all "tidelands and submerged lands, whether filled or unfilled; within the present boundaries of said city, situated below the line of mean high tide of the pacific Ocean, or of any harbor, estuary, bay, or inlet within said boundaries, to be forever held by said city and its successors, in trust for," certain purposes including commerce, navigation, and fishery. Heretofore, the boundaries of the city have been considered to extend 3 miles seaward to the State boundary.

Now that the Supreme Court has decided that the State of California did not own the so-called marginal sea, a strip or belt of water and submerged land 3 nautical miles in width, lying seaward of the ordinary low-water mark on the coast of California and outside of the inland waters of the State, and the exact delineation of its inland waters remains undetermined, the title of its grantee to much of the shore line of the city of Los Angeles including coastal and harbor areas, is under active dispute. If the limits of Los Angeles Harbor are not exactly delineated in accordance with the boundaries heretofore accepted and established, many valuable port improvements may be placed in jeopardy, and if the boundaries of the marginal sea excluding the 3-mile belt are to be determined as of 1850, the year of California's admission to the Union, then the title of many areas of reclaimed submerged lands which are no longer part of the sea at all may be upset. This threat, coupled with the actual loss of the marginal sea itself, unless the proposed bill is enacted, will have the effect of stifling local municipal improvements for the promotion and accommodation of commerce and navigation of the United States and of the recreational, sanitary, and various other requirements of the people of the Los Angeles area.

In order to point out the extent of the present uncertainties of title, as between the State of California and the United States, relative to navigable waters, and the effect thereof upon the interest of the State's grantee, city of Los Angeles, a brief outline of the harbor and shoreline facilities follows:

Fifty-odd years ago Los Angeles had no harbor other than an open roadstead in San Pedro Bay and a shallow meandering channel capable of floating shallow-draft vessels. With the completion of the first breakwater in 1912 it had annexed the sufficient territory and quieted title to all tidelands necessary to construct a manmade harbor covering 2,780 acres with 28 miles of available water frontage of which over 13 miles are occupied by wharves, transit sheds and other improvements valued at about $50,000,000 financed from municipal bond funds and revenues. Currently cargo handling runs about 15,000,000 tons annually from approximately 3,500 seagoing ship movements. Present construction estimates for port expansion necessary to supply the needs of the area served during the next 10 years will cost as much more as has been spent to date. In addition to these expenditures, some $70,000,000 have been spent by the city of Los Angeles and surrounding communities along its coastline for sanitary, recreational, and other improvements, title to which is jeopardized by the Supreme Court decision in the California case.

As a practical matter, and for purposes of navigntion, the boundary line between inland waters and the open sea is established by the San Pedro breakwater and its extension. However, we cannot prognosticate where the court may fix this line, and the uncertainty of delineating the extent of inland waters with respect to a constructed breakwater is apparent. If the location of the line of cleavage is to be determined as of 1850 when California was admitted as a State, there were no breakwaters, and in years to come they may be destroyed by the action of the sea. Terminal Island now containing hundreds of acres of reclaimed submerged lands and a Government-owned navy yard and airfield once was a narrow sand spit. We feel that the legal fiction of locating the line of inland waters now in the process of being answered by the Supreme Court, can best be fixed and determined by Congress in adopting such a bill as Senate Joint Resolution 13.

It should be remembered that the city of Los Angeles has invested large sums of public money in good faith and its investments should, in good conscience, be protected. The city has performed its obligations with respect to all construction requirements laid down by the Federal Government, and was justified in relying on the integrity of previous declarations of the Supreme Court determining such vested property rights. Now the integrity of such title is threatened unless the proposed or similiar legislation is enacted.

While many of the aforementioned improvements are located within the so-called stipulated line, and inside the breakwater, which, in the case of San Pedro Bay, has been designated by the special master as the limit of inland waters, much filled land and many publicly owned structures and facilities are located seaward and extend out into what is generally referred to as the 3-mile belt. Due to the lack of specific delineation of San Pedro Bay and Santa Monica Bay, the title to these facilities and improvements is further complicated.

A master plan of shoreline development has been underway in Los Angeles County for some 10 years and the magnitude of the improvements along the bays of Santa Monica and San Pedro, presently completed or in contemplation, involves the estimated expenditure of more than $100 million, of which between $50 and $60 million will be for fills and improvements on what are now tide and submerged lands in said 2 bays. Of the 65.39 miles of beaches involved in said plan, 27.69 miles are already publicly owned valued at over $15 million and a large portion of these beaches lie within the boundaries of the city of Los Angeles. Some of the reclamation presently underway involves a fill of 14,000,000 cubic yards of tide and submerged lands seaward of the line of mean high tide and will extend several blocks into what are now submerged lands. In San Pedro Bay, the city of Los Angeles has completed $200,000 of fill out into that bay along Cabrillo Beach just outside the breakwater enclosing Los Angeles Harbor, where it joins the coast east of Point Fermin. A portion of this filled area is even now being claimed by the Federal Government as lying outside of San Pedro Bay and the city cannot, therefore, proceed with said improvement with any degree of security.

It is impractical to list only improvements constructed or contemplated by the city of Los Angeles on tidelands without referring to such improvements located in contiguous areas. A partial list of existing and contemplated improvements located or planned to be located on the tide and submerged lands of Santa Monica Bay only, including recreational, sanitary, and other facilities, together with their estimated values, follows:

1. EXISTING IMPROVEMENTS AND ESTIMATED VALUES

(a) City of Redondo Beach:	
Public:	
Groins	$28,000
Recreational pier	68,000
Breakwater	539,000
Seawall	167,000
Private:	
Fishing pier	50,000
Salt-water intake and pumphouse for steam generating plant (The plant of the Southern California Edison Co. now under construction will cost $38,500,000 when completed.)	1,340,000
(b) City of Hermosa Beach: Public: Recreation pier	175,000
(c) City of Manhattan Beach: Public: Recreation pier	135,000

1. EXISTING IMPROVEMENTS AND ESTIMATED VALUES—continued

(*d*) City of El Segundo:	
Public (owned by Reconstruction Finance Corporation):	
Salt-water intake and lines	45,000
Private (Standard Oil Co. of California): Wharf, oil piping, submarine lines, salt-water intake pier, and miscellaneous equipment	654,000
(Refinery, storage tanks, and other facilities cover an area of almost 2 square miles. If its ocean-loading facilities should be eliminated, greatly increased facilities must be provided to Los Angeles Harbor to ship refined products. Elimination of the salt-water intakes would cripple the plant, as in the case of the steam generating plant at Redondo Beach, since the domestic water supply is inadequate for this demand upon it.)	
(*e*) City of Los Angeles (southeast of Santa Monica):	
Public:	
Hyperion sewage treatment plant, including a 12-foot outfall extending a mile seaward into the bay	41,000,000
(The plant, located partially on tidelands, is now under construction and is designed for a population of 3,000,000 on the basis of an average dry-weather flow of 245,000,000 gallons of sewage per day, with peak dry-weather flow of 350,000,000 gallons and the storm-weather flow of 420,000,000 gallons. At the present rate of population growth, capacity of the plant now being constructed will be reached in 1953. The present population served by the plant is 2,488,000. Of this total about 1,925,000 is within the city of Los Angeles, 160,000 in unincorporated areas, and 317,000 in adjoining municipalities of Beverly Hills, Burbank, Culver City, El Segundo, Glendale, Santa Monica, and Vernon. It is estimated that the plant will have to be expanded to serve an eventual population of over 4,000,000. These data indicate how serious any interference with the submarine outfall would be.)	
Submarine outfall sewer	3,518,000
Hyperion groin	90,000
Extension of Ballona Creek jetties	510,000
32d Ave. groin (Venice)	52,000
Breakwater at Winward Ave. (Venice)	200,000
Beach fill, 375 acres, El Segundo to Santa Monica	15,000,000
2 storm drains	75,000
Private: Lick pier	415,000
(*f*) City of Santa Monica:	
Public:	
Santa Monica municipal pier	300,000
Breakwater, Santa Monica Harbor	690,000
Groins	40,000
Artificial accretion to beaches	3,200,000
Beach playground development	5,000
Private:	
Santa Monica pier	500,000
Ocean Park pier	1,700,000
(*g*) City of Los Angeles (west of Santa Monica):	
Public: Groins	500,000
Private: Groins (Bel-Air Bay Club)	30,000
(*h*) Unincorporated territory (west of Los Angeles city):	
Private: Malibu pier	132,000
Existing improvements, total	70,708,000

2. PLANNED IMPROVEMENTS AND ESTIMATED VALUES

City of Los Angeles: Frontage, 9 miles.
City of Santa Monica: Frontage, 3 miles.
Unincorporated territory: Frontage, 1 mile.

Beach fill, 42,000,000 cubic yards	$14,793,000
Groins, 57	3,386,000
Sewers and pumping plants	2,052,000
Storm drains and pumping plants	5,588,000
Utilities	5,675,000
Streets and roadway structures	15,896,000
Parking areas and approaches	1,986,000
Play areas	38,000
Picnic areas	145,000
Buildings	5,161,000
Miscellaneous recreation facilities	754,000
Landscaping	2,896,000
Yacht harbor entrance jetties	2,167,000
Planned improvements, total	60,537,000

(The proposed yacht harbor, called Marina del Rey, is estimated to cost $29,672,000, with a capacity for mooring 8,000 small craft. It is also planned to develop the beaches between El Segundo and Palos Verdes at an estimated cost of about $22,000,000.)

3. WATERFRONT OWNERSHIP

(The amount of frontage in public and private ownership and estimated value, are given for each political subdivision.)

(a) City of Palos Verdes Estates:	
Public, 25,000 feet	$150,000
Private	None
(The above frontage is a narrow strip between the foot of high bluffs and the mean high tide line.)	
(b) City of Torrance:	
Public, 757 feet	30,000
Private, 3,312 feet	242,000
(c) City of Redondo Beach:	
Public, 12,708 feet	970,000
Private, 1,450 feet	935,000
(d) City of Hermosa Beach:	
Public, 9,275 feet	1,110,000
Private, 420 feet	87,000
(e) City of Manhattan Beach:	
Public, 9,700 feet	1,363,000
Private	None
(f) El Portal (unincorporated territory):	
Public, 1,328 feet	160,000
Private	None
(g) City of El Segundo:	
Public	None
Private, 4,400 feet	880,000
(h) City of Los Angeles (southeast of Santa Monica):	
Public, 31,312 feet	3,048,000
Private, 2,111 feet	859,000
(1,431 feet of the private frontage is being acquired at an estimated cost of $459,000.)	
(i) City of Santa Monica:	
Public, 6,944 feet	1,958,000
Private, 8,031 feet	6,224,000
(j) City of Los Angeles (west of Santa Monica):	
Public, 14,905 feet	3,336,000
Private, 2,044 feet	964,000
(543 feet of the private frontage is being acquired at an at an estimated cost of $218,000.)	

3. WATERFRONT OWNERSHIP—continued

(*k*) Unincorporated territory (west of Los Angeles city):	
Public	None
Private, 74,280 feet	12,805,000
Estimated value of water frontage listed, total	35,121,000
In addition to the waterfront land and improvements listed above, there is a strip immediately adjacent, approximately a block in width, which would be indirectly affected because its value depends largely on the recreational use of the beaches.	
The location, length, and value of this strip of land and improvements thereon are given below. These are all privately owned.	
Santa Monica, 2 miles	13,260,000
Los Angeles City (southeast of Santa Monica), 3.5 miles	7,620,000
Hermosa Beach-Redondo Beach, 3 miles	7,460,000

It is apparent from the foregoing that the various projects and expenditures of local public funds therefor can only be made in the State of California and its public grantees are secure in the title of the tidelands and submerged lands in Santa Monica and San Pedro Bays. We can only urge this committee and the Congress to approve and adopt this proopsed bill, Senate Joint Resolution 13, or a similar measure to the end that millions upon millions of dollars invested in improvements upon tide and submerged lands or reclaimed lands not only by the city of Los Angeles, but by States and public bodies throughout the Nation, be made secure to the public investors who have relied in good faith upon the soundness of these titles.

The city of Los Angeles and its board of harbor commissioners respectfully endorse the Holland bill and ask that this committee report the same favorably to the Congress for adoption, in order that justice and equity may be done to the States and their grantees.

REPORT ON OFFSHORE OIL LANDS, HOUSE OF REPRESENTATIVES, JUDICIARY COMMITTEE

By J. Ashton Greene & Associates, Economic Consultants, Investment Advisers, New Orleans, La.

It occurs to me that the issue to be decided on the question of offshore lands is the role that the Federal Government is to play in the development and/or protection of offshore oil and mineral deposits.

It is therefore necessary to postulate the national interest in this vital matter, that is, What is the long range national interest of the United States in these offshore areas?

I would like, therefore, to suggest the following plan as a guide or, better still, as an approach to action in solving this issue.

First, by congressional action, there should be established an Interstate Tidelands Board.

This Board will be composed as follows:

Three members chosen by the Governor of Louisiana.
Three members chosen by the Governor of Texas.
Three members chosen by the Governor of California.
One member chosen by the American Petroleum Institute.
One member chosen by the Independent Petroleum Association of America.
One member chosen by the Secretary of Interior from National Petroleum Council.
One member chosen by Secretary of Labor from ranks of labor.
One member chosen by Secretary of Navy.
One member chosen by President of the United States as personal representative.

This Board will be responsible to Congress for the leasing and development of the marginal seas areas and the Continental Shelf areas.

This Board will provide that 37 percent of the revenues from the marginal seas areas will go to the tidelands States along whose ocean boundaries the leases and bonuses are made and received.

This Board will provide that 15 percent of the revenues accruing from development of the Continental Shelf areas to be given to the affected States. Further, the Navy will get one-eighth of the Continental Shelf as a petroleum reserve. There are many problems involved in the long range solution of this problem. I submit that any proposal to be seriously considered must take into account first the national interest and secondly, the long range solution.

I submit that my proposal endeavors to stay within that framework. I would also like to suggest that while my proposal does not solve all the issues involved, it does attempt to take into account basic interests of all the parties concerned.

STATEMENT OF FRED S. LEBLANC, ATTORNEY GENERAL OF LOUISIANA

Mr. Chairman and members of the committee, I am Fred S. LeBlanc, attorney general of the State of Louisiana, with official domicile and principal office in the city of Baton Rouge, La.

I deeply appreciate the privilege of making this appearance and of giving you my views on the submerged lands legislation now pending before you.

I would like to point out first of all that the government of Louisiana and the people of that State in their collective sovereign capacity have much at stake in the legislation under present consideration. While we have no right to expect special treatment by the Congress, certain factors of profound concern to our State make it necessary that we not only undertake to defend the sovereign rights of our State in an abstract sense but strive to protect long-asserted claims to valuable property that has been acquired on the basis of proprietary rights in which we felt secure.

Louisiana has more miles of navigable rivers and streams and a coastline of greater irregularity than any other State in the Union. Natural resources of various kinds and in great quantities have long since been discovered on and under the lands that are submerged in both inland and coastal navigable waters, and our interest, quite obviously, does not lie in mere ambitious speculation but in the realism of actual discovery and effective production of such resources. This success in development followed in the wake of long-scale planning, foresight, ingenuity, and the spending of public funds in vast amounts. Finding a new and abundant source of revenue as a result of such discovery and production, anticipated income was earmarked, appropriated, and dedicated to a material expansion in State services, road building, and hospital construction, and a great percentage thereof was pledged for the retirement of State bonds.

The foregoing revelations have not been made for the singular purpose of sounding alarm or of magnifying the ominous character of Louisiana's position. In a letter bearing date of January 30, 1953, addressed to the Governor of our State, Hon. Hugh Butler, the distinguished senior Senator from the State of Nebraska, and chairman of the Senate Committee on Interior and Insular Affairs, suggested that we present to that committee at its present hearings, information in some detail to show the nature of things of value under production in submerged lands of our State, the number of acres of submerged lands owned or claimed by Louisiana, the disposition of revenue derived from such lands and resources, our leasing experience and legal authority which supports our leasing program.

In a supplement to this statement we submit to this committee the same information that we have given to the Senate Commitee on Inerior and Insular Affairs, at the request of Senator Butler.

I do not intend to make a long statement to this committee. My attention has been called to the fact that some 14 hearings have been held before congressional committees on sumberged-lands legislation, beginning in 1937, and that the record of such hearings consists of approximately 6,000 pages of testimony. I do not wish to burden this committee with repetitious argument and superfluous evidence of the States' position in the submerged-lands issue. Nor do I intend to take up and analyze each one of the many bills filed in the House on the subject. Rather, my purpose shall be that of emphasizing the principles and objectives underlying such legislation. There are a few basic facts that should be recognized by way of preface, and they are as follows:

(1) The legislation under consideration involves a profound question of national policy.

(2) That policy not only affects the welfare of the States but the national interest as well.

(3) The interests of both the States and the Nation can best be served by the adoption of legislation dealing with the entire submerged-lands problem.

(4) Such embracive legislation should be passed as soon as possible.

(5) Congress has the authority under article IV, section 3, clause 2, of the Constitution of the United States to take that action.

A number of bills have been introduced in the House which contain highly similar, if not identical, language; for example, I refer to the bills filed, respectively, by Mr. Walter of Pennsylvania, Mr. Wilson, of Texas, and Mr. Willis, of Louisiana. We believe that the approach therein made offers the best solution to the submerged-lands problem.

First of all and of major concern is the restoration to the States of all the lands and resources thereof underlying inland navigable waters and beneath the marginal sea within their respective historic boundaries. Such recognition, confirmation, and restoration would accomplish a sound public policy, strengthen Federal-State relations, promote fair play in Government, and give effect to the uniform respect and recognition accorded to State ownership by all well-informed persons, including the officers and agents of the United States, for more than a hundred years prior to the decisions of the United States Supreme Court in the California, Texas, and Louisiana cases.

A national policy of the highest importance is involved, and Congress alone can express it. So, it is no impediment to congressional action that the Supreme Court of the United States has said in three recent decisions that certain States had no title to lands in the marginal sea within their boundaries. Mr. Justice Black, organ of the Court in the California case, said in part:

"As previously stated, this Court has followed and reasserted the basic doctrine of the Pollard case many times. *And in so doing it has used language strong enough to indicate that the Court then believed that States not only owned tidelands but also owned soils under all navigable waters within their territorial jurisdiction, whether inland or not.*" [Italics supplied.]

Mr. Justice Black was manifestly referring to the 8 Chief Justices and the 40 Associate Justices of the United States Supreme Court who, in many landmark cases, beginning in 1845 and extending to 1936, believed that the States owned lands under all navigable waters within their boundaries, whether inland or not.

To give meaning to a century of uniform jurisprudence and the universal reliance placed upon it, the Congress is urged by those in support of the States position to translate in terms of a sound public policy, those things which so many Justices of the United States Supreme Court believed and said throughout the history of our Nation, down to 1947.

The coastal States have not sought to alarm the other States. Those States have given their own interpretation to the decisions in the California, Texas, and Louisiana cases. Witnesses before congressional committees have expressed their own fears and concern.

It is patently essential that the States without maritime borders but possessing lands and resources beneath inland navigable water be quieted in their sovereign proprietary rights and no longer fear the engulfing tide of "paramount rights." It is even more necessary, perhaps, that States and their subdivisions be given reassurance, which Congress alone can effectively give, that they are secure in the ownership and enjoyment of ports, harbors, and the manifold and valuable improvements placed on reclaimed lands. Indeed, those provisions in the several bills which undertake to confirm and restore State ownership of lands and resources within the historic boundaries of the States contemplate results much more important and lasting than the mere settlement of a dispute over the title to and control of petroleum in submerged coastal lands. Entirely too much emphasis has been placed on oil in this one phase of submerged-lands legislation which deals with the restoration of the proprietary rights of the States.

The Supreme Court of the United States has been urged in three recent cases to name the owner of submerged coastal lands. The Court having failed to so state and decide, Congress should act. Title should be confirmed and restored in the States, and the language of the bill so providing should be strong enough to dispel the slightest conception that "paramount rights" of the Federal Government transcend the proprietary rights of the States to the extent that those rights of the States can be taken at any time without just compensation; moreover, such legislation should once and for all put an end to the implication or inference, such as was made in the decision by the Court in the California case, that the States have only a qualified title to lands beneath inland navigable waters.

Our support of legislation dealing with the development of natural resources in the Continental Shelf outside and seaward of the historic maritime boundaries of the States, is based on motives and principles entirely different from those underlying our support of the legislation first hereinabove discussed. We are prone to regard titles I and II of the Walter, Wilson, and Willis bills, respectively, and title III thereof as contemplating different objectives, based upon separate policy considerations; nevertheless, the subjects dealt with are germane and should be incorporated in one piece of legislation.

We support title III of the Walter, Wilson, and Willis bills because, in the first place, we simply cannot close our eyes or deafen our ears to the realistic and urgent problem of petroleum development in those areas presently lying beyond but immediately adjoining the historic boundaries of the coastal States in the sea.

The need of increasing petroleum supply is great. Statistics will show that demand for oil has recently fallen short of production. Sound conservation practices require reasonable and orderly development and the prevention of drainage and waste. It would certainly not redound to the benefit of our Nation and its people, in our opinion, for oil in place in such areas to remain undisturbed and undeveloped. New and abundant sources of oil supply appear to be the only solution, particularly if, under greater national emergency or war, the demand for petroleum should materially increase.

We have never been entirely certain of the meaning, significance, and effect of the term, "appertain," which appeared in the President's proclamation of September 28, 1945; however, that term is given clear and explicit meaning in title III of the bills aforesaid, wherein it is provided that the natural resources of the Continental Shelf lying beyond the historic boundaries of the States in the sea, are subject to the jurisdiction and power of and disposition by the United States.

This declaration of policy strengthens the claim to such areas as against all other nations and validates the occupation thereof which began when certain States commenced the leasing of such lands for oil, gas, and mineral development.

We must look to international rather than domestic law to determine whether or not the United States may so extend its jurisdiction. Other nations have taken such action for various purposes and it would appear appropriate for the United States to do likewise, if it is to develop resources in areas in which other nations, remotely situated, have taken no interest. It bears of emphasis that legislation on that phase of the subject treats of submerged lands and the resources thereof and does not affect international concepts and customs as to the rights of the several nations to use the waters above for purposes of navigation.

It is not our purpose to magnify the Walter, Wilson, and Willis bills to the extent of failing to recognize other House bills of a similar nature which contemplate the restoration of State ownership of submerged lands in inland navigable waters and those in coastal waters within historic State boundaries, as well as the development of the natural resources of the Continental Shelf lying seaward of the historic maritime belts of the States. We are in favor of the principles and objectives of all such bills.

We support, as well, such bills as those introduced respectively by Messrs. Hébert and Boggs, of Louisiana; however, we take the position for the reasons above set forth, that an additional title should be added to such bills which would authorize the development of the natural resources of submerged lands in the Continental Shelf lying beyond the historic boundaries of the States in the marginal sea and the extension of State jurisdiction in such areas for the exercise of certain police powers. We do not believe that any phase of the submerged lands problem should be pretermitted by the Congress at this session.

If the United States may so extend its jurisdiction, it would seem proper, under our dual-sovereignty system, that the States should be authorized to execute police power and the right of taxation and conservation in such areas.

If appropriate delegation of authority can be extended to the States they could well serve as leasing agents, under the supervision of the Secretary of the Interior. Most coastal States already have leasing boards or commissions and they are staffed with experienced and well-qualified personnel. The States are in a strategic position to do an effective job. Local control would accomplish reasonable development, prevent the indeterminable delays of long-distance supervision, and save the Federal Government the tremendous expense of creating a new agency for the purpose, or of expanding the staff of an existing agency for the same purpose at great cost.

If the States should serve as leasing agents, their service in such field would justify in itself some appreciable share in the resulting revenue. But there is a greater reason to support financial remuneration to the State. The efforts that the States have made, the public funds that they have expended, the long-scale planning that they have engaged in, and the far-reaching programs of promotion that they have executed, all for the purpose of interesting oil and gas operators in developing the maritime areas and, finally, in bringing about discovery and production, bear of tangible recognition and some measure of substantial recompense.

We have heretofore said that legislation such as that contained in title III of the Walter, Wilson, Willis, and other like bills has our support for reasons entirely different from those which cause us to favor the confirmation or restoration of State title to submerged coastal lands within historic State boundaries.

There is, indeed, a vast difference between the restoration of certain proprietary rights of the States and the creation of legislative authority in which the Federal Government and the several States would cooperate, pool facilities and work together in a major undertaking, the results of which would materially aid our national defense program and inure to the benefit of all the people of the United States. We have expressed a preference for such cooperative effort; however, the major objective is that of causing the immediate development of the natural resources in areas of the Continental Shelf lying seaward of the historic boundaries of the States, and we urge that legislative accomplishment, whether the Secretary of the Interior is to make use of State leasing facilities in a cooperative endeavor, or is to do the job alone.

Our enthusiastic support of the Walter, Wilson, and Willis bills, as well as other bills of like character, is based upon the principles and objectives expressly contemplated. The vast portion of the language contained in such bills is highly satisfactory to us, but we believe that certain amendments should be made for purposes of clarification and to carry out the legislative intent. Practically all of the amendments that we have in mind have already been brought to the committee's attention, and we do not wish to be repetitious and to burden the record with superfluous remarks. We do believe that it would be well to emphasize the following suggested amendment, taking the Willis bill (H. R. 357) as an example.

In section 2 (e) of title I of H. R. 357, on page 4, line 3, after the word "States", delete the semicolon, substitute a comma, and add the following: "And if the title to the beds of such streams was lawfully patented or conveyed by the United States or any State to any person."

Section 2 (a) of said bill provides "the term 'lands beneath navigable waters' includes (1) all lands within the boundaries of each of the respective States which were covered by waters navigable under the laws of the United States at the time such State became a member of the Union, * * *."

This sentence is a restatement of the uniform jurisprudence in the United States. Thus in the case of *State of Oklahoma v. State of Texas, United States, Intervener* (vol. 258 United States Reports, p. 574), it was held:

"Upon the creation of a new State, ownership of the beds of navigable streams within the boundaries passes from the United States to the State in virtue of the constitutional rule of State equality; but not so the beds of streams not navigable (p. 583).

"Officials of the United States Public Land Survey are not empowered to settle questions of navigability, and navigability in law cannot be implied from their action in meandering a stream and their failure to extend township and section lines across it" (p. 585).

You will observe that ownership of the beds of navigable streams, whether meandered or not, within the boundaries of a State, passed from the United States to the State.

Section 2 (e) of title I of H. R. 357, as presently worded, constitutes a broad exception to this rule. An examination of all the hearings shows conclusively that the actual reason for the exception was to protect persons who derived title or patents to unmeandered streams from the United States. As drafted, however, section 2 (e) of title I in fact does not specifically protect the title of persons holding patents from the United States to unmeandered streams, and, on the other hand, it leaves title to the beds of all unmeandered streams in a state of chaos; that is to say, it does not confirm the rule to the effect that title to the beds of all navigable streams, meandered or not, passed to the several States. Thus, as drafted, subsection (e) would imply, to say the least, that the United States either has title to the beds of such unmeandered streams or that the

United States does not recognize the title of the several Sates thereto under subsection (e).

The purpose of the proposed amendment, therefore, is to accomplish two things:

(1) To restate the jurisprudence to the effect that title to the beds of all navigable streams, whether meandered or not, passed from the United States to the several States upon their admission into the Union; and

(2) To expressly except those portions of the beds of such unmeandered navigable streams that were actually patented out of the United States to private individuals.

I would like once again to express my deep appreciation for the privilege of making this appearance and of filing this statement. I sincerely hope that this long extended debate on the ownership and control of submerged lands will be settled by this Congress at the present session, as soon as legislative processes permit, and that this legislation be adopted in a single bill to cover all phases of the subject.

Respectfully submitted.

FRED S. LEBLANC,
Attorney General of Louisiana.

SUPPLEMENT

PREFACE

After diligent effort we find ourselves unable to furnish the committee with dependable data as to the number of acres of submerged lands within the asserted maritime limits of Louisiana. The aggregate acreage would include the whole of the coast. Undetermined at present are (1) the exact dimensions of the coast, and (2) the extent of inland waters in the coast.

Louisiana's asserted claim with respect to its historical maritime boundaries has been fully covered in the narrative portion of this statement.

(*a*) *Oil and gas activities in submerged coastal lands.*—The State mineral board, as leasing agent, was created under Louisiana Act 93 of 1936. Prior leasing authority, from 1915 to 1936, was vested in the Governor.

A total of 3,008,007 acres of submerged coastal lands have been leased for oil, gas, and mineral development. Information as to the exact number of leases granted is presently unavailable. In addition to bonuses, leases require minimum royalties (one-eighth on oil, gas, and other hydrocarbon minerals; 75 cents per long ton on sulfur, and 10 cents per ton on potash). Annual delay rentals must be no less than one-half the cash bonus.

A total of 14,430,093.45 barrels of crude oil has been produced, and 46,386,661 thousand cubic feet of gas.

The State has received $11,989,430.89 in bonuses and royalties and $1,177,411.22 in rentals. Since the decree of the United States Supreme Court in *United States v. Louisiana* (one of the three so-called tideland suits), State lessees have paid to the United States, through the Secretary of the Interior, $14,372,354.02 in rentals and royalties.

In addition to bonuses, rentals, and royalties aforementioned, the State has received $3,223,321.25 in severance taxes on oil and gas recovery.

The status of producing wells and the number thereof are not presently known; however, on July 22, 1949, there were 27 producing wells in the area.

Statistics show that oil operators and producers in the area have expended $112,378,128.58 in the development program.

The legislature had dedicated all bonuses and rentals under leases beyond 3 miles gulfward to the retirement of the State bonded indebtedness. All minimum royalties throughout the entire area are pledged under the constitution for the payment of State bonds for certain State institutions, including State-owned charity hospitals. All other proceeds from leases go, 90 percent to the general fund for legislative appropriations, and 10 percent to the road or highway fund. The major portion of severances taxes collected are set aside for the purchase of free schoolbooks and supplies for school children.

(*b*) *Sulfur development.*—Most of our sulfur is produced from the bed of Bay Grande Ecale, a large bay forming the northern part of a historic bay extending far seaward into the Gulf of Mexico. Figures beyond 1949 are not available. Some 4,314,000 long tons of sulfur were produced, 1949–51, and the State, in addition to royalties, received approximately $4,363,430.50 in severance taxes therefrom.

(c) *Shrimping.*—On the basis of a 5-year average, immediately preceding 1952, 74,617,494 pounds of shrimp were produced. The State received privilege taxes thereon of $70,933.50; $71,816.46 was the amount received for severance taxes.

(d) *Clam and oyster shells.*—Total severance taxes collected amounted to approximately $226,454.63, 1936 through 1951.

(d) *Sand and gravel.*—Produced per year over a 12-year average, 43,543 cubic yards; some $1,959.44 collected per average year in severance taxes.

(f) *Oyster production.*—From 1946 through 1951, 624,415 barrels produced; $13,347.67 average per year in privilege tax.

(g) *Harbor facilities (on reclaimed lands).*—Outstanding bonds, January 1, 1948, $2,953,164.26. Revenues, approximately $1,200,000 per year.

(h) *New Orleans Levee Board (reclaimed lands and improvements).*—Statistics not presently available.

STATEMENT OF HAROLD R. FATZER, ATTORNEY GENERAL OF THE STATE OF KANSAS, AND PRESIDENT OF THE NATIONAL ASSOCIATION OF ATTORNEYS GENERAL, TO THE COMMITTEE ON THE JUDICIARY OF THE HOUSE OF REPRESENTATIVES CONSIDERING MEASURES RELATING TO SUBMERGED LANDS, TOGETHER WITH A LIST OF OFFICIALS OF STATES AND THEIR POLITICAL SUBDIVISIONS RECORDED IN HEARINGS BEFORE THE COMMITTEES OF CONGRESS FROM 1938 TO 1952, AND FAVORING STATE OWNERSHIP OF SUBMERGED LANDS

Mr. Chairman and gentlemen of the committee; my name is Harold R. Fatzer, and I appear here not only as the attorney general of the State of Kansas, but as president of the National Association of Attorneys General.

At the outset I wish to present for the record a resolution adopted by the association at its 46th annual meeting, held last December 10, in support of congressional action confirming and restoring State ownership of lands beneath navigable waters within the boundaries of the respective States.

You have incorporated by reference the record of 14 previous hearings on the submerged lands issue which totals 5,506 pages. In those hearings you will find the names of officials of States and their political subdivisions from 47 of the 48 States, all of whom have favored the States in this controversy; not one, let me repeat again, not one, has advocated Federal control. There has been prepared for your use, and which I would like to have incorporated into the record a list of the said officials, arranged alphabetically by State, and after their names, the year or years in which they made their appearance before the committees of Congress by their personal testimony, statement, letter, telegram, or otherwise.

I wish to quote from a report made by Attorney General Hall Hammond of Maryland as chairman of the submerged lands committee of the National Association of Attorneys General at its annual meeting held at Seattle, Wash., in August 1951.

"Claims are even made that efforts to remedy by legislation the injustices of the Court's action are disrespectful to the Court or attempts to sabotage the Court and its place in the governmental scheme of things.

"There are at least two complete answers to these claims. In the first place, as has been so well said, no case is ever decided until it is decided correctly. It is not only the lawyers for and the citizens of California, Texas, and Louisiana who feel strongly that the decisions of the Court are entirely wrong and unjust. Some of the Nation's greatest lawyers have joined in condemnation of the reasoning and results of the Court in these cases. Forty-three articles in law reviews and legal periodicals in 20 States and England have considered the tidelands cases, and 40 of the 43 are critical of the principles and procedures followed by the Court. For example, Prof. John Hanna, of Columbia University, writing in the Stanford Law Review, had this to say of the four Justices of the Supreme Court who decided the Texas case for the Government:

" 'Disregarding lawyers directly or indirectly concerned with litigation relating to submerged lands, this quartet of Justices, in its opinion, stands almost alone among the able lawyers who have studied this controversy.'

"The president of the Massachusetts Bar Association, Hon. Richard Walt, in an article in the Massachusetts Law Quarterly of May 1951, says: 'The road by which the Supreme Court arrived at this decision is one which no court should travel and it is important that the bar realizes what has been done.'

"Prof. James William Moore, of Yale, author of Moore's Federal Procedure, and a leading authority on Federal practice, recently wrote an article in the

Baylor Law Review in which he characterized the Court's action in the Texas case as 'expropriation * * * by judicial fiat.'

"Mr. Justice Black's careless regard for the terms 'bare legal title' and 'mere property ownership' in the California opinion caused the State Bar of Texas and the American Bar Association and the American Title Association to join in a warning that this new theory could destroy fundamental concepts of all property ownership both private and State. Mr. Justice Douglas increased this alarm in the Texas case when he said, 'Property rights must then be so subordinated to political rights as in substance to coalesce and unite in the national sovereign.' Dean Roscoe Pound reacted to this by counting it a startling doctrine for a country which has previously maintained careful separation between property rights and political rights. A distinguished Massachusetts lawyer, Nathan Bidwell, said in an article in the Massachusetts Bar Bulletin of October 1950:

" 'The doctrine laid down in these decisions finds its parallel in the writings of Marx, Lenin, and the platforms and principles of the National Socialist Party, in all of which it is provided that * * * property should be taken without compensation on the basis of "need" for all the people regardless of the law of the land.'

"The second answer to the claim that the actions of the Court are sacrosanct and should not be dealt with by the representatives of the people of the United States in the exercise of their constitutional power to govern themselves, is that the Court itself in the plainest and simplest language urged legislation on the tidelands subject, saying that Congress has the power to restore and confirm State ownership of submerged land. In the California case, it said:

" '* * * Article IV, section 3, clause 2, of the Constitution vests in Congress "power to dispose of and make all needful rules and regulations respecting the territory or other property belonging to the United States." We have said that the constitutional power of Congress in this respect is without limitation. *United States* v. *San Francisco* (310 U. S. 16, 29–30). Thus neither the courts nor the executive agencies, could proceed contrary to an act of Congress in this congressional area of national power' (332 U. S. at 27).

"The Court said further: '* * * we cannot and do not assume that Congress, which has constitutional control over Government property, will execute its powers in such a way as to bring about injustices to States, their subdivisions or persons acting pursuant to their permission' " (332 U. S. at 40).

I would like to discuss with you briefly the bills that have been referred to this committee, and which are being considered at this hearing.

Senate Joint Resolution 13, introduced by Senator Holland and 39 other Senators restores to the States the submerged lands both inland and seaward within their original boundaries. From the beginning of this issue our association has sponsored and favored the passage of this legislation. Our reasons are fully set forth in the testimony of previous hearings and there is no necessity to note a repetition here.

S. 294 introduced by Senator Daniel, who is also one of the sponsors of the Holland bill, is similar to the Walter bill (H. R. 4484) which passed the House in the last Congress. This measure embraces the provisions of Senate Joint Resolution 13 and deals with the areas outside of State boundaries in the Continental Shelf.

In this connection I wish to read to you the last paragraph of the report of the submerged lands committee presented at our association's last annual meeting, which reflects the attitude of our organization.

"While this association has never taken affirmative action with respect to legislation for that part of the Continental Shelf seaward and outside of original State boundaries; your committee has heretofore approved and recommended ultimate disposition of this area along the lines outlined in the Walter bill with the suggestion that the Congress consider the advantage and increased revenues which would flow from State rather than Federal management. Whether these provisions as to the Continental Shelf outside original boundaries should be handled in the same bill which reestablishes State ownership within original boundaries as provided in the Walter bill, or separately as contemplated by the Holland bill, is a matter which should be left entirely to the decision of State ownership advocates in the Congress. This was the procedure followed by your committee in the last session of Congress. It is the procedure which will prevent our association from becoming involved in adverse views on the disposition of that part of the Continental Shelf outside original State boundaries, and it will again emphasize that the primary interest of this association is in the principles

implicit in the reestablishment of ownership by each of the 48 States of all lands beneath navigable waters within their original boundaries."

S. 107 introduced by Senator Anderson is similar to Senate Joint Resolution 20, a so-called interim bill, as introduced by Senators O'Mahoney and Anderson in the 82d Congress. We opposed that bill because it was definitely slanted to the Federal side of the controversy, and, if passed, Federal control would be assured indefinitely.

The sponsors of interim legislation in the last Congress recognized that the Congress favored State ownership of these lands and predicted that the attempt to pass such a bill would prove to be a time-consuming and fruitless struggle to overcome the promised veto. In this respect I will have to admit they were right. The only purpose of presenting such a bill was based on the theory that the difference existing between the Congress and the President would prevent the enactment of permanent legislation. I do not believe that we have a similar situation today.

From what I have been able to learn, 83d Congress is favorable to the rights of the States. I understand Senator Anderson also opposed to the State bill, expressed a like opinion in his appearance on a television program, The Man of the Week, on Sunday, February 8.

Now if anyone is of the opinion that a stalemate exists today between the Congress and the Chief Executive, let me refer to a speech made by President Eisenhower at New Orleans on October 13, 1952, in which he said:

"The attack on the tidelands is only a part of the effort of the administration to amass more power and local responsibility.

"So, let me be clear in my position on the tidelands and all submerged lands and resources beneath inland and offshore waters which lie within historic State boundaries. As I have said before, my views are in line with my party's platform. I favor the recognition of clear legal title to these lands in each of the 48 States.

"This has been my position since 1948, long before I was persuaded to go into politics.

"State titles in these so-called tidelands areas stand clouded today.

"The Supreme Court has declared in very recent years that there are certain paramount Federal rights in these areas. But the Court expressly recognized the right of Congress to deal with the matters of ownership and title.

"Twice by substantial majorities, both Houses of Congress have voted to recognize the traditional concept of State ownership of these submerged areas. Twice these acts of Congress have been vetoed by the President.

"I would approve such acts of Congress.

"My opponent has announced that he agrees with the President's veto of these laws. Last week, here in New Orleans, he amplified his views. As I understand his plan, he would have the Federal Government take over and dole out to the tin cups of the States whatever part of the revenues Washington decided might be good for them.

"This I would call the 'shoddy deal.'

"State ownership of the lands and resources beneath inlands and offshore navigable waters is a long-recognized concept. It has not weakened America or impaired the orderly development of such resources. The States have administered the development of such resources in these areas from the beginning. And let me point out that this development has been carried on by State officials without scandal, fraud, or corruption.

"The policy of the Washington powermongers is a policy of grab. I wonder how far a consistent pursuit of this policy would take us. If they take the Louisiana, Texas, and California tidelands, then what about the Great Lakes? They have been held to be open sea. A good part of Chicago has been built on lands once submerged by Lake Michigan.

"What of the inland lakes, rivers, and streams in Oklahoma, Iowa, Illinois, and Kansas?

"What about the iron ore under the navigable waters of Minnesota and the coal under the waters of Pennsylvania, West Virginia, and other States?

"What of the fisheries in Florida; what of the kelp in Maine; what of the real estate built on soil reclaimed from the once-submerged areas in New York and Massachusetts?

"The Washington power grabbers say, 'Oh, we haven't tried to move in on any of those other States.'

"My answer is they didn't move in on you in Louisiana until the submerged lands became valuable.

"So I repeat for the benefit of my opponents who have gone out of their way to misrepresent my views: I favor the recognition of these ancient property rights of the States in submerged lands.

"Here are my reasons:

"First, I deplore and I will always resist Federal encroachment upon rights and affairs of the States.

"Second, I am gravely concerned over the threat to the States inherent in the growth of this power-hungry movement.

"Third, the resources of these submerged areas, though still owned by the States, will be available for America's defense in time of national emergency.

"Fourth, the orderly development of these resources under the States need not interfere with any valid Federal function.

"Fifth, I believe the law twice passed by Congress which would recognize these State titles is in keeping with basic principles of honest dealing and fair play. These things are important—they are vital, in Government as well as private dealings."

Now let me comment on the so-called Federal aid to education amendment proposed by Senator Hill and others.

At the outset let me point out that every one of the sponsors is a proponent of Federal control and opposed to restoring these submerged lands to the States.

The first paragraph of the proposed amendment to S. 107 reads as follows:

"All other moneys received under the provisions of this Act shall be held in a special account in the Treasury during the present national emergency and, until the Congress shall otherwise provide, the moneys in such special account shall be used only for such urgent developments essential to the national defense and national security as the Congress may determine and thereafter shall be used exclusively as grants-in-aid of primary, secondary, and higher education."

Where will this money go? To the national defeuse and thereafter to grants-in-aid of education. I do not know the amount that is appropriated annually for national defense, but I would like to ask the question: When will any money be available for education under the provisions of the proposed amendment?

The second paragraph of the proposed amendment reads as follows:

"It shall be the duty of every State or political subdivision or grantee thereof having issued any mineral lease or grant, or leases or grants, covering submerged lands of the Continental Shelf to file with the Attorney General of the United States on or before December 31, 1953, a statement of the moneys or other things of value received by such State or political subdivision or grantee from or on account of such lease or grant, or leases or grants, since January 1, 1940, and the Attorney General shall submit the statements so received to Congress not later than February 1, 1954."

May I suggest that the authors of this bill may have overlooked placing an important provision in this measure. I fail to find the usual penalty clause for the failure to perform the duty prescribed. Would the chief executive, the Governor of the State, be placed in prison if he refused to comply?

"It shall be the duty of the State."—Is this another movement in the direction of erasing State lines and centralizing all power here in Washington? Is it proper for Congress to prescribe the duties of the States?

The only reason that I could see to require such a statement from the States or political subdivision or grantee thereof, having issued such leases or grants, would be to use the information to bring an action against such States and others for an accounting of moneys that they had received since January 1, 1940.

Up to this time only three of the States have been sued by the Federal Government. Legal proceedings have not been started against any of the other States. Does Senator Hill believe that his State of Alabama would raise the white flag and surrender to the Federal Government and make an accounting of any moneys received since January 1, 1940, without a day in court.

You will recall the letter of Secretary of the Interior Chapman, dated a year ago this month to Gov. Arthur B. Langlie of the State of Washington, which stirred up a "hornet's nest." In this letter the State of Washington, which had never been sued, was ordered to cancel oil and gas leases it had issued in the submerged lands. Governor Langlie advised Chapman that his act was another example of "government by edict," "usurpation of legislative powers by judicial and administrative decree," and a "violation of the Constitution of the State of Washington and the intent of the Congress of the United States of America."

The Federal Government in the cases against the States of Texas and Louisianna attempted to require said States to make an accounting of moneys that

they had received in connection with leases prior to the time of the actions but this the Court refused to do.

I also wish to refer to remarks of Senator Dirksen on the floor of the Senate on March 10, 1952, when this matter was being debated. He said in part:

" * * * The important questions are these: Should the disposition of the revenues which might be derived from these tideland areas obscure the real issue? What is the real issue? Does Congress have power to deal with it?

"On the first of these questions, it should be observed that bills are now before us to validate the claim of the Federal Government to these areas and to earmark some part of the revenues for education. I am not insensible of the fact that that proposal has great appeal. They start with an assumption. In the March issue of Harper's the Senator from Alabama (Mr. Hill) puts it very naively. He says: 'I do not believe the American people want the Congress to overrule the Supreme Court and give away their $50,000,000,000.'

"That statement completely begs the question. If, in fact, the Federal Government has no valid claim to these areas, does he contend that Uncle Sam should still play Robin Hood and despoil the States of their rights, because the enrichment, no matter how wrong or unjust, will be devoted to a noble and laudable purpose? If this is the philosophy of the new day, America is in a bad way indeed. * * *"

Senate Joint Resolution 18, introduced by Senator Kefauver and others, would "establish a commission to assist in making a proper and equitable settlement of the submerged lands problem." All of the sponsors of this measure joined Senator Hill in his proposed amendment to S. 107 and are on record as proponents of Federal control.

You have incorporated by reference the complete record of the previous hearings comprising 5,506 pages, which together with the record of these hearings, should give the Congress sufficient information to resolve this matter properly and justly.

In my opinion the creation of such a commission would be absolutely useless and a waste of the $100,000 proposed to be expended to carry out its provisions.

Now speaking as a representative of one of the inland States that does not border upon the ocean or the gulf, you may ask me, Why are you concerned with the pronouncements laid down by the Court in the California, Louisiana, and Texas cases?

An examination of the record of the previous hearings will reveal the alarm of every attorney general that testified, and attorneys general and others from 47 of the 48 States have given an expression to the committees of Congress.

The next step of Federal seizure advocates to further centralize power here in Washington may be to apply the doctrine of "paramount rights" inland waters.

Let me refer you to testimony of Manley O. Hudson, formerly judge of the World Court, and an outstanding authority on international law, set forth on page 245 of the hearings on S. 1988:

"Now, let us look at Mr. Justice Black's approach. After 100 years of repetition and reiteration by the Court, Mr. Justice Black says: 'We are not persuaded to transplant the rule of ownership as an incident of State sovereignty in relation to inland waters out into the soil beneath the ocean, so much more a matter of national concern.'

* * * * * * *

"One who studies the history of the matter must question the direction of Mr. Justice Black's transplanting. Which was the idea transplanted by the Court and kept transplanted during 100 years? Was the rule as to State ownership of the beds of navigable inland waters transplanted to the marginal sea? Or was the rule as to the ownership of the marginal sea transplanted to the navigable waters of the bays and rivers?

"I think even a casual reading of the judicial pronouncements will show that it was the latter."

There have been some assurances from proponents of Federal control that no attempt would be made by the Federal Government to assert "paramount rights" over inland waters. But let me recall:

The Attorney General of the United States was quoted in the press on October 2, 1947, which was after the ruling in the California case, as saying that suits against other States would be postponed until Congress has acted, adding: "When Congress decides the national policy, we will proceed. * * * It's possible Congress may say tidelands belong to the States."

During the campaign of 1948 President Harry Truman gave assurance to the State of Texas that it had nothing to fear in that she had been an independent nation before coming into the Union.

Nevertheless, in December of 1948, suits were filed against the States of Texas and Louisiana.

In closing, I wish to express to this committee my thanks for the opportunity of giving my views in this most important matter, and I wish to express the appreciation of myself and the association that I represent to the Members of Congress who are favorable to the cause, for their efforts to restore to the States the submerged lands which equitably and morally belong to the States.

MEMORANDUM

OFFICIALS OF STATES AND THEIR POLITICAL SUBDIVISIONS RECORDED IN THE HEARINGS HELD BEFORE THE COMMITTEES OF CONGRESS FROM 1938 TO 1952, AND FAVORING STATE OWNERSHIP OF SUBMERGED LANDS

ALABAMA

1939—State legislature, resolution
1945—William N. McQueen, attorney general
Gessner T. McGorvey, special assistant attorney general
1948—James E. Folsom, Governor
Kenneth J. Griffith, Governor's legal representative
1949—James E. Folsom, Governor
1951—State legislature, resolution

ARIZONA

1949—Fred O. Wilson, attorney general
1950—Fred O. Wilson, attorney general

ARKANSAS

1945—Guy E. Williams, attorney general
Claude A. Rankin, State land commissioner
1946—Guy E. Williams, attorney general
1948—Guy E. Williams, attorney general

CALIFORNIA

1938—Markell C. Baer, port attorney, port of Oakland
1939—Culbert L. Olsen, Governor
Earl Warren, attorney general
George Trammell, city attorney, Long Beach
Harry R. Johnson, consultant, Long Beach Harbor Commission
Clyde M. Leach, assistant city attorney, city of Los Angeles and Los Angeles Harbor Commission
Percy Hecendorff, district attorney, Santa Barbara County
Long Beach Board of Harbor Commissioners
California State Port Authority
Board of supervisors, Santa Barbara County
Oakland Board of Port Commissioners
1945—Robert W. Kenny, attorney general
W. W. Clary, special assistant attorney general
Irving M. Smith, city attorney, Long Beach
Carlyle F. Lynton, executive officer, State lands commissiou
Arthur Eldridge, harbor commissioner, Los Angeles
1946—Arthur H. Breed, Jr., State senator
Carlyle F. Lynton, executive officer, State lands commission
Robert W. Kenny, attorney general
Irving M. Smith, city attorney, Long Beach
W. Reginald Jones, port attorney, port of Oakland
Fletcher Bowron, mayor, Los Angeles
Board of supervisors, San Joaquin County
Port district, Stockton

1948—Earl Warren, Governor
State legislature, resolution
Arthur H. Breed, Jr., State senator
Oliver J. Carter, State senator
Fred N. Howser, attorney general
Long Beach Board of Harbor Commissioners
Irving M. Smith, city attorney, Long Beach
W. Reginald Jones, representing city of Oakland, Board of Port Commissioners and Pacific Coast Association of Port Authorities
Arthur W. Nordstrom, assistant city attorney, Los Angeles
Dion R. Holm, chief counsel, Public Utilities Commission, City and County of San Francisco
J. Stuart Watson, assistant executive officer, State lands commission
State park commission resolution
City Council of Long Beach
Harbor commission, San Diego
Fletcher Bowron, mayor, Los Angeles
Los Angeles City Council resolution
Clyde A. Dorsey, city manager, Monterey
1949—State legislature, resolution
Earl Warren, Governor
Fred N. Howser, attorney general
E. W. Mattoon, assistant attorney general
J. Stuart Watson, assistant executive officer, State lands commission
Irving M. Smith, city attorney, Long Beach
Arthur W. Nordstrom, assistant city attorney, Los Angeles City and board of harbor commissioners
1950—Earl Warren, Governor
Fred N. Howser, attorney general
Everett W. Mattoon, assistant attorney general
Irving M. Smith, city attorney, Long Beach
Arthur W. Nordstrom, assistant city attorney, Los Angeles City and board of harbor commissioners
W. Reginald Jones, American Association of Port Authorities and port of Oakland
J. Stuart Watson, assistant executive officer, State lands commission
1951—State legislature, resolution
Earl Warren, Governor
Goodwin J. Knight, Lieutenant Governor
Edmund G. Brown, attorney general
Everett W. Mattoon, assistant attorney general
Rufus W. Putnam, executive officer, State lands commission
Irving M. Smith, city attorney, Long Beach.

COLORADO

1945—H. Lawrence Hinkley, attorney general
1946—H. Lawrence Hinkley, attorney general
1948—Lee Knous, Governor
H. Lawrence Hinkley, attorney general

CONNECTICUT

1945—Francis A. Pallotti, attorney general
Harry L. Brooks, assistant attorney general
1946—Harry L. Brooks, assistant attorney general
1948—William L. Hadden, attorney general
Nicholas F. Rago, assistant attorney general
1949—William L. Hadden, attorney general

DELAWARE

1945—Clair J. Killoran, attorney general
1946—Clair J. Killoran, attorney general
Vincent J. Theisen, assistant attorney general
1948—Albert W. James, attorney general
1949—Elbert N. Carvel, Governor
Albert W. James, attorney general
1950—Albert W. James, attorney general

FLORIDA

1938—Lawrence A. Truett, assistant attorney general
Fred Elliott, engineer for trustees, Florida Internal Improvement Fund
1939—Lawrence A. Truett, assistant attorney general
Fred Elliott, engineer for trustees, Florida Internal Improvement Fund
1945—J. Tom Watson, attorney general
1946—J. Tom Watson, attorney general
Sumter Leitner, assistant attorney general
E. B. Leatherman, clerk, and H. S. Sweering, deputy clerk, Dade County Commissioners
1948—Millard F. Caldwell, Governor
Sumter Leitner, assistant attorney general
State legislature, resolution
1949—Richard W. Ervin, attorney general
Ralph Odum, assistant attoruey general
State legislature, resolution
1950—Richard W. Ervin, attorney general

GEORGIA

1945—T. Grady Head, attorney general
1948—M. E. Thompson, Governor
Eugene Cook, attorney general

IDAHO

1945—Frank Langley, attorney general
1946—Frank Langley, attorney general

ILLINOIS

1945—George F. Barrett, attorney general
1946—Dwight H. Green, Governor
1948—Dwight H. Green, Governor
E. Roy Wells, chief engineer, Illinois Postwar Planning Commission

INDIANA

1945—James M. Emmert, attorney general
1946—James M. Emmert, attorney general
1948—Cleon H. Foust, attorney general

IOWA

1945—John M. Rankin, attorney general
1948—Robert D. Blue, Governor
Robert L. Larson, attorney general
1949—Robert L. Larson, attorney general

KANSAS

1945—A. E. Mitchell, attorney general
1948—Frank Carlson, Governor
Edward F. Arn, attorney general
1949—Harold R. Fatzer, attorney general
1950—Harold R. Fatzer, attorney general

KENTUCKY

1945—Eldon S. Dummit, attorney general
1946—Eldon S. Dummit, attorney general
194?—A. E. Funk, attorney general
1949—A. E. Funk, attorney general
1950—A. E. Funk, attorney general

LOUISIANA

1938—Gaston L. Porterie, attorney general
Joseph A. Loret, assistant attorney general
1939—David M. Ellison, attorney general
Joseph A. Loret, special assistant attorney general
1945—Fred S. LeBlanc, attorney general
John L. Madden, assistant attorney general
Lucille May Grace, register, State land office
1946—J. H. Davis, Governor
Fred S. LeBlanc, attorney general
B. A. Hardey, State mineral board
Lucille May Grace, register, State land office
L. H. Perez, district attorney, Plaquemines Parish
1948—State Legislature, resolution
Kenneth C. Barranger, member of legislature
Henry C. Sevier, member of legislature
James H. Davis, Governor
Fred S. LeBlanc, attorney general
John L. Madden, special assistant attorney general
B. A. Hardey, State mineral board
Lucille May Grace, register, State land office
L. H. Perez, district attorney, Plaquemines Parish
1949—Bolivar E. Kemp, Jr., attorney general
John L. Madden, assistant attorney general
L. H. Perez, special assistant to the attorney general
Lucille May Grace, register, State land office
O. G. Collins, chairman, State mineral board
L. H. Perez, district attorney, Plaquemines Parish
de Lesseps S. Morrison, mayor, New Orleans
1950—William J. Dodd, lieutenant governor
Bolivar E. Kemp, Jr., attorney general
Lucille May Grace, register, State land office
L. H. Perez, district attorney, Plaquemines Parish
James W. Ellis, special attorney, State mineral board
1951—Bolivar E. Kemp, Jr., attorney general
L. H. Perez, district attorney, Plaquemines Parish

MAINE

1945—Ralph W. Farris, attorney general
1946—Horace Hildredth, Governor
Ralph W. Farris, attorney general
1948—Ralph W. Farris, attorney general
1949—Frederick Payne, Governor
Ralph W. Farris, attorney general
State Legislature, resolution
1950—Frederick Payne, Governor
Ralph W. Farris, attorney general

MARYLAND

1945—William C. Walsh, attorney general
Hall Hammond, deputy attorney general
Simon E. Sobeloff, city solicitor, Baltimore
1946—William Curran, attorney general
George P. Drury, assistant attorney general
Simon E. Sobeloff, city solicitor, Baltimore
1948—William Preston Lane, Jr., Governor
Hall Hammond, attorney general
1949—Hall Hammond, attorney general and chairman, submerged-lands committee, National Association of Attorneys General
State legislature, resolution
1950—Hall Hammond, attorney general and chairman, submerged lands committee, National Association of Attorneys General
1951—Hall Hammond, attorney general

MASSACHUSETTS

1939—Daniel J. Doherty, assistant attorney general
1945—Clarence A. Barnes, attorney general
Hirsh Freed, assistant corporation counsel, Boston
1946—Ernest W. Barnes, department of conservation
George Leary, special assistant, corporation counsel, Boston
Grant E. Morse, Randolph A. Frothingham and Glenn G. Clark, selectmen of Salisbury
1948—Nathaniel B. Bidwell, special assistant attorney general.
George Leary, special assistant corporation counsel, Boston

MICHIGAN

1945—John R. Dethmers, attorney general
1946—Harry F. Kelly, Governor
John R. Dethmers, attorney general
1948—State Legislature, resolution
Kim Sigler, Governor
Maurice M. Moule, assistant attorney general
P. J. Hoffmaster, director, department of conservation
1949—Stephen J. Roth, attorney general
Nicholas V. Olds, assistant attorney general
1950—Nicholas V. Olds, assistant attorney general

MINNESOTA

1945—J. A. A. Burnquist, attorney general
1946—Ed. J. Thye, Governor
City council, St. Paul
1948—Luther W. Youngdahl, Governor
J. A. A. Burnquist, attorney general
John H. Burwell, special assistant to the attorney general
1949—John H. Burwell, assistant attorney general

MISSISSIPPI

1938—Greek Rice, attorney general
1945—Greek Rice, attorney general
1946—Greek Rice, attorney general
1948—Greek Rice, attorney general
State legislature, resolution

MONTANA

1945—R. V. Bottomly, attorney general

NEBRASKA

1945—Walter R. Johnson, attorney general
1948—Walter R. Johnson, attorney general and chairman, submerged-lands committee, National Association of Attorneys General

NEVADA

1945—Alan Bible, attorney general
1946—Alan Bible, attorney general
1948—Alan Bible, attorney general
1950—Alan Bible, attorney general and president, National Association of Attorneys General

NEW HAMPSHIRE

1945—Harold K. Davison, attorney general
1946—Ernest R. D'Amours, assistant attorney general
1948—Ernest R. D'Amours, attorney general
1949—Sherman Adams, Governor

NEW JERSEY

1938—Robert Leeward, assistant attorney general
1939—State legislature, resolution
Council, Borough of Stone Harbor, resolution
1945—Walter D. Van Riper, attorney general
1946—Walter D. Van Riper, attorney general
1948—Russell E. Watson, counsel to the Governor
1949—Alfred E. Driscoll, Governor
Theodore D. Parsons, attorney general
Robert Peacock, deputy attorney general
1950—Theodore D. Parsons, attorney general

NEW MEXICO

1945—Clyde C. McCulloh, attorney general
1948—Thomas J. Mabry, Governor
Clyde C. McCulloh, attorney general
Hiram M. Dow, Interstate Oil Company Commission

NEW YORK

1938—John J. Bennett, Jr., attorney general
Warren H. Gilman, assistant attorney general
Albany Port District Commission, resolution
Wilbur LaRoe, Jr., associate counsel, port of New York
1939—John J. Bennett, Jr., attorney general
Warren H. Gilman, assistant attorney general
State council of parks, resolution
1945—Nathaniel L. Goldstein, attorney general
Orrin Judd, solicitor general
Leander I. Shelley, general counsel, port of New York and representing American Association of Port Authorities
1946—Orrin Judd, solicitor general
State legislature, resolution
Leander I. Shelley, general counsel, port of New York
1948—Thomas E. Dewey, Governor
Nathaniel L. Goldstein, attorney general
Leander I. Shelley, general counsel, port of New York
William O'Dwyer, mayor, New York City
1949—Nathaniel L. Goldstein, attorney general
Leander I. Shelley, general counsel, port of New York
1951—State legislature, resolution

NORTH CAROLINA

1945—Harry McMullan, attorney general
Hughes J. Rhodes, assistant attorney general
1946—Hughes J. Rhodes, assistant attorney general
1948—R. Gregg Cherry, Governor
Harry McMullan, attorney general
1949—State Legislature, resolution
W. Scott Kerr, Governor
Harry McMullan, attorney general

NORTH DAKOTA

1945—Nels G. Johnson, attorney general
1946—Nels G. Johnson, attorney general
1948—Fred G. Aandahl, Governor
Nels G. Johnson, attorney general

OHIO

1939—Port commission
City council, Ashtabula
1945—Hugh S. Jenkins, attorney general
1946—Hugh S. Jenkins, attorney general
1948—Thomas J. Herbert, Governor
Hugh S. Jenkins, attorney general

OKLAHOMA

1945—Randall S. Cobb, attorney general
1946—Robert S. Kerr, Governor
Mac Q. Williamson, attorney general
J. Walker Field, assistant attorney general
1948—Mac Q. Williamson, attorney general
State land office commission, resolution

OREGON

1939—I. H. Van Winkle, attorney general
1945—George Neuner, attorney general
John H. Burgard, chairman, Commission of Public Docks, Portland
1946—George D. LaRoche, general manager, Commission of Public Docks, Portland
Lewis D. Griffith, clerk, State land board
1948—George Neuner, attorney general
1949—State legislature, resolution
Douglas McKay, Governor
George Neuner, attorney general
1950—George Neuner, attorney general

PENNSYLVANIA

1945—James H. Duff, attorney general
Miss M. Vashti Burr, deputy attorney general
Frank F. Truscott, city solicitor, Philadelphia
1946—Miss M. Vashti Burr, deputy attorney general
1948—Miss M. Vashti Burr, deputy attorney general
1949—James H. Duff, Governor
T. McKeen Chidsey, attorney general
1950—Miss M. Vashti Burr, deputy attorney general

RHODE ISLAND

1945—John H. Nolan, attorney general
John J. Cooney, assistant attorney general
1946—John H. Nolan, attorney general
1948—John O. Pastore, Governor
John H. Nolan, attorney general

SOUTH CAROLINA

1945—John M. Daniel, attorney general
1946—T. C. Callison, assistant attorney general
1948—J. Strom Thurmond, Governor
John M. Daniel, attorney general
1949—John M. Daniel, attorney general
T. C. Callison, assistant attorney general

SOUTH DAKOTA

1945—George T. Mickelson, attorney general
1946—George T. Mickelson, attorney general
1948—George T. Mickelson, Governor
Sigvard Anderson, attorney general

TENNESSEE

1945—Roy H. Beeler, attorney general
1948—Jim N. McCord, Governor
Roy H. Beeler, attorney general
William F. Barry, solicitor general
1949—Jim N. McCord, Governor
Roy H. Beeler, attorney general
William F. Barry, solicitor general
1950—Roy H. Beeler, attorney general

TEXAS

1938—James V. Allred, Governor
Wlillam McCraw, attorney general
1939—Gerald C. Mann, attorney general
R. W. Fairchild, assistant attorney general
Bascom Giles, commissioner, State land office
Homer C. DeWolfe, member, State board of education
1945—Grover Sellers, attorney general
Bascom Giles, commissioner, State land office
1946—Grover Sellers, attorney general
Bascom Giles, commissioner, State land office
1948—Beauford H. Jester, Governor
Price Daniel, attorney general
Bascom Giles, commissioner, State land office
1949—Allan Shivers, Governor
Price Daniel, attorney general
Bascom Giles, commissioner, State land office
1950—Price Daniel, attorney general
Bascom Giles, commissioner, State land office and chairman, school land board
1951—Allan Shivers, Governor
Price Daniel, attorney general

UTAH

1939—Joseph Chez, attorney general
1945—Grover A. Giles, attorney general
1948—Herbert B. Maw, Governor

VERMONT

1945—Alban J. Parker, attorney general
1946—Mortimer R. Proctor, Governor
1948—Clifton G. Parker, attorney general

VIRGINIA

1939—State port authority, resolution
1945—Abram P. Staples, attorney general
Herbert Wade, director, State port authority
1946—Abram P. Staples, attorney general
1948—William M. Tuck, Governor
1950—State legislature resolution

WASHINGTON

1945—J. J. Underwood, port of Seattle and port of Tacoma
Seattle Port Authority, resolution
G. W. Osgood, port of Tacoma manager
Otto A. Case, commissioner, State Department of Public Lands
1946—Harold A. Pebbles, chief assistant to the attorney general
Warren D. Lamport, general manager, port of Seattle
Donald Macleay, Tacoma Port Authority
1948—Frank O. Sether, assistant commissioner of public lands
1949—Arthur B. Langlie, Governor
Smith Troy, attorney general
1950—Smith Troy, attorney general

WEST VIRGINIA

1945—Ira J. Partlow, attorney general
1946—James Kay Thomas, assistant attorney general
1948—Clarence W. Meadors, Governor
Ira J. Partlow, attorney general

WISCONSIN

1939—Common Council, City of Milwaukee, resolution
1945—John E. Martin, attorney general
Harry C. Brockel, port manager, city of Milwaukee
C. W. Babcock, city attorney, Milwaukee
1946—Walter S. Goodland, Governor
Harry C. Brockel, port manager, city of Milwaukee
1948—Oscar Rennebohm, Governor
John E. Martin, attorney general
John Bohn, mayor, Milwaukee
Mrs. Walter J. Mattison, city attorney, Milwaukee
Harry C. Brockel, port director, city of Milwaukee
Commissioners, city of Milwaukee

WYOMING

1945—Louis J. O'Marr, attorney general
1948—Lester C. Hunt, Governor

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SUBMERGED LANDS LEGISLATION

WEDNESDAY, MARCH 4, 1953

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE NO. 1 OF THE
COMMITTEE ON THE JUDICIARY,
Washington, D. C.

Subcommittee No. 1 of the Committee on the Judiciary met pursuant to recess at 10 a. m., in room 327, Old House Office Building, Hon. Louis E. Graham, chairman of Subcommittee No. 1, presiding.

Present: Representatives Louis E. Graham (presiding), Ruth Thompson, Patrick J. Hillings, and Francis E. Walter.

Also present: Chauncey W. Reed (chairman), DeWitt S. Hyde, J. Frank Wilson, and Edwin E. Willis.

Mr. GRAHAM. The meeting will come to order.

First, for the purpose of the record, Mr. Walter must attend a meeting of the Un-American Activities Committee, and we want to note his presence for the purpose of effecting a quorum.

Now, then, may I submit this for the record, a letter from Hon. John E. Lyle, from Texas, which he asks to have incorporated in the record.

(The letter is as follows:)

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., March 2, 1953.

Hon. LOUIS E. GRAHAM,
Chairman, Subcommittee No. 1, Committee on the Judiciary, House of Representatives, Washington, D. C.

MY DEAR JUDGE: I presume to be helpful in writing this letter. To some extent it is prompted by the statement made today by the Attorney General before the Senate Committee on Interior and Insular Affairs wherein he outlines his views with reference to minerals under the submerged lands seaward of our coastlines.

Any disposition of the submerged lands issue must be based upon a sound premise. Minerals beneath the submerged lands within the historic boundaries of the States belong to the States. Legally and historically their titles to such minerals are undisputed. It therefore should be the purpose of legislation recommended by your committee to clear the clouds upon that title raised by judicial opinions and administrative policies. An outright quitclaim seems to me to be appropriate.

The issue is one of title. The title should be cleared. A positive disclaimer by the Federal Government would clear the States' titles. The States have authority to administer and develop the natural resources within their boundaries. Such authority cannot be granted by Federal Government as suggested by the Attorney General. It would but mock the issue. Certainly the Federal Government has no right to grant a license in an area wherein it has no rightful title.

Quite another problem arises in the consideration of the submerged lands lying seaward of the State boundaries. Here I believe the Federal Government rightfully must assert its jurisdiction. However, I do not think it either wise or

necessary for the Federal Government to establish an agency or enlarge existing agencies to administer leasing and drilling operations in this area. It seems much more practical for the Federal Government to make the various States their agents under such rules and regulations as the Congress desires to prescribe. I sincerely believe that our Nation would benefit to a much greater extent if this policy is adopted.

Sincerely,

JOHN LYLE.

Mr. GRAHAM. The order of witnesses today is: Mr. Overton Brooks, of Louisiana, is first; then Mr. T. A. Thompson, of Louisiana, is second; Mr. Utt, of California, third; Mr. Cecil R. King, of California, next; and Mr. Carl D. Perkins, of Kentucky.

Mr. WALTER. If you will indulge me 1 minute, I would like to make just a brief statement.

Mr. GRAHAM. Go right ahead.

Mr. WALTER. Mr. Chairman, throughout the long period of time that this question of supervision over the submerged lands has been under consideration, there is one thing that has impressed those of us who believe that the States have title to a portion of this land, and that is the treaty between the United States and Texas. The Attorney General, Mr. McGrath, at one time attempted to explain that away by saying that was an unfortunate agreement. But whether it was an unfortunate agreement or not, there it is. The solemnity of the contract entered into between the United States and another State cannot be lightly passed off as being an unfortunate agreement. When Texas became a part of the United States, its boundaries were well known. With meticulous care, every inch of the boundary of that republic was defined. And when it became a part of the United States, its southernmost boundary was in the water, but its location was as well known as that of its northernmost boundary adjacent to the United States.

Now, what sort of an impression would be created throughout the world if people believed that we treat solemn agreements such as this one is as lightly as it has been treated. True, it is that it may be to the advantage, and probably it is, to the United States, if the revenue derived from the development of this submerged land would inure to the benefit of all of the people. But certainly that does not offer any justification for taking territory which for a long period of time has been recognized as belonging to a particular State.

I think that the whole thing was summed up as best it could be by Justice Frankfurter in his dissenting views in the California case, in which he said in substance, "How territory that once belonged to the State became the property of the United States will always remain a mystery to me." I think it is one of those things that cannot be explained away, that stands out just as in a lawsuit there is one thing that will stand out, and the whole case will turn on that particular thing. Here is something that is a fact. It is a fact, it is concrete, it is understood, it cannot be explained away. If that submerged land belonged to the States, then it certainly seems to me that it is our duty to see to it that the sovereignty of the several States is protected by adequate legislation.

Now, I want to address one further remark on this problem, and that is as to the submerged land beyond the State boundaries. I do not think we can consistently say that Texas or Louisiana or California is entitled to any revenue beyond their historical boundaries.

I base my position in this whole matter on the historical boundary. But what about the territory beyond that? There has never been an assertion of sovereignty in that territory. I am wondering what our position would be if on tomorrow we would find that 12 miles or just beyond the territory of the State of Texas the Dutch Oil Co. developing the land? What would our position be?

It seems to me that while we are dealing with this problem we ought to deal with it in its entiety, and we ought to assert the sovereignty of the United States in what is the territory of the United States, even though it is submerged.

I trust that you in your wisdom will conclude that this whole problem should be disposed of finally and now, and that there be an assertion of the sovereignty of the United States in the submerged lands beyond the historical boundaries, and that there will never again be any question as to the ownership of the territory within those lines.

Thank you very much.

Mr. GRAHAM. Thank you very much for your very valuable contribution.

Mr. Hillings, do you have any questions you would like to ask Mr. Walter before he leaves?

Mr. HILLINGS. No, except, Mr. Chairman, that I think Mr. Walter has given us an excellent discussion of this whole problem, and it shows the need of a full conclusion of the problem as soon as possible. I certainly concur in the views that he has advanced.

Mr. GRAHAM. Miss Thompson, have you anything you wish to ask?

Miss THOMPSON. No, except to concur with Mr. Walter. I think he is absolutely right.

Mr. GRAHAM. The Chair, like a judicial court, will reserve his decision to a later date.

Mr. Willis, are there any questions you would like to ask Mr. Walter?

Mr. WILLIS. I would like to suggest one thought, Mr. Chairman, if I may, in connection with the statement of Mr. Walter. I concur in his views that we should come to grips with the whole problem involved. We may disagree on details and perhaps on the question of division of returns of development beyond historic boundaries, but that, after all, is a legislative function that we must all bring our minds together to solve.

I have an amendment I am going to propose exactly along the lines of what Mr. Walter has said with respect to historic boundaries. I think that in the bill itself, the very first section which refers to boundaries, we should insert the words "historic boundaries." That would be consistent with all the discussion of the subject lately that we have been hearing about.

If I may say, in a purely nonpolitical way, I should like to include the Republican platform and the statements of General, now President, Eisenhower. I think we should spell it out. So I am going to propose an amendment to include that word.

Also, along with what he had to say regarding the treaty between the Republic of Texas and the United States, there is a sentence in section 4 of the bill, as I recall, spelling out that in the case of any State whose historic documents speak out for a greater area than 3

miles, that their rights shall not be prejudiced. It in the concluding sentence of section 4 states:

> Nothing in this section is to be construed as questioning or in any manner prejudicing the existence of any State's seaward—

here I will insert "historic seaward boundary"—

> beyond 3 geographical miles, if it was so provided by its constitution or laws prior to the time such State became a member of the Union.

I think we should spell out "or by treaty ratified by the Senate of the United States." I think those words should go in there to show that we mean exactly what we say. So I am going to draft appropriate amendments.

Mr. GRAHAM. Yes. May I suggest that you submit them in time to Mr. Foley so he may have time to consider them, because there will probably be a discussion between he and the Attorney General with respect to the matter.

Mr. WILLIS. Yes. I have a couple of amendments I want to suggest, but I wanted to speak to the point of Mr. Walter's statement at this time.

Mr. GRAHAM. We will now hear from Mr. Utt, of California.

STATEMENT OF HON. JAMES B. UTT, A REPRESENTATIVE IN CONGRESS, FROM THE STATE OF CALIFORNIA, ON BEHALF OF HOUSE JOINT RESOLUTION 117

Mr. UTT. Mr. Chairman, it had not been my intention to take part in these deliberations as I consider my State eminently represented on this committee by Congressman Hillings, of California, but after listening to the testimony of Attorney General Brownell and examining his prepared statement, I feel that I would be neglecting my duty as a Representative from California if I failed to voice my objections to certain suggestions made by him.

My House Joint Resolution 117 is similar to the Holland bill vetoed by President Truman last year. However, I have no objection to the inclusion of the Continental Shelf clause provided there is a proper severability clause to protect the historical-boundary provisions in case of constitutional attack.

To me, the Doctrine of States Rights overshadows all other concurrent issues and stands in diametric opposition to the Doctrine of Paramount Rights by reason of sovereignty. I quote from the Bill of Rights:

> * * * all rights not specifically granted to the Federal Government are retained by the several States, and all powers not specifically delegated to the Federal Government reside in the people.

Retained and reside—two words upon which hinges the whole doctrine now at issue—mark them well, and may they never leave your consciousness.

I can find nowhere that the States have granted, either specifically or by inference, these retained rights to the lands lying beneath the waters within the historical boundaries of the several States.

The statement and testimony of Mr. Brownell appear to be an unwarranted attempt to compromise these two opposing doctrines. To me, his position is confusing, untenable, and unconscionable. It is

repugnant to our republican form of government. I sincerely hope they will not receive favorable consideration by your committee in drafting proper legislation to restore full title to the States of lands lying beneath the sea within the historical boundaries of such States. Do not settle for a license or permissive use of these lands for the purpose of developing natural resources and keeping the revenue. That would be tantamount, in my opinion, to selling the sovereignty of our State for a few dollars. To this I cannot subscribe.

I wholly agree that full title to real property is a bundle of rights, and that these rights are severable at will, but my position is that the entire bundle is, or should be, vested in the several States, and the conveyance of any of these rights, if it is made, should and must be made by the State as grantor and not by the Federal Government.

The inclusion in the bill of Mr. Brownell's suggestions would result in years of court procedure, both legal and equitable, to determine the rights of the parties.

All of this can be avoided by a clear-cut law, quitclaiming all right, title, and interest in and to the lands lying beneath the sea within the historical boundaries of the littoral States.

I call your attention to paragraph 4 of page 3 of Mr. Brownell's report in which he suggests that the statute contain certain provisions which would grant to the States a right to maintain their installations on the tidelands, and secondly, that it contain a clause granting the Federal Government ownership of the land upon which their constructions and installations have been made.

If the States own the land, and I contend they do, it is not necessary for Congress to grant them any further rights. They already have them. Furthermore, the Congress has no right to grant property belonging to California to the Government or to anybody else. Then so far as confirming the title of the Federal Government on installations along the shore, it provides for no just compensation and no due process of law, and the Congress has no right in my belief to grant land belonging to the State of California or any other littoral State to the Federal Government. That must come either by condemnation proceedings in order that there must be just compensation and due process, and cannot come by fiat of Congress. So I think that fourth suggestion of his should be very carefully examined.

I think actually that that is the key to his whole thinking, that he is making an effort to protect certain Government installations along the coast which they have made without ever considering the title being vested in the States. In order to protect those installations, they now want to change their position, and instead of restoring title to the States, they want to retain the title in Government and grant licenses or easements for the development of the natural resources, and I think that that is putting the cart before the horse, and that this committee should be very careful in changing the provisions of the bill, as they now have been submitted to the committee.

Mr. GRAHAM. Mr. Hillings.

Mr. HILLINGS. I think Mr. Utt has given a very able discussion of the problem.

Mr. WILSON. Are you a lawyer?

Mr. UTT. Yes, sir, of a sort.

Mr. WILSON. Have you figured this thing out enough to figure out just what words could be used that convey no title or quitclaim no title or delegate no title? What kind of a legal instrument could be prepared to convey a title that would show that States owned it that did not actually quitclaim or deed it?

Mr. UTT. I simply think that a quitclaim of any right, title or interest is sufficient. Whether the Government actually owns anything or not, the quitclaim deed does not grant anything that they do not own. But if they do claim, it forever silences them. But of course future acquisition of title by the Government would not feed a quitclaim deed. So Mr. Celler's concern for the heretofore or hereafter part does not disturb me at all.

Mr. GRAHAM. He would look after his own hereafter.

Mr. UTT. The hereafter does not feed a quitclaim.

Mr. WILSON. In other words, you think that is necessary that this property be quitclaimed and not some soft words that would mean a license or franchise?

Mr. UTT. My very last clause says:

All of this can be avoided by a clearcut law, quitclaiming all right, title, and interest in and to the lands lying beneath the sea within the historical boundaries of the littoral States.

I have not tried to go into the Continental Shelf, because I have 10 minutes, and that is a big problem and has been ably discussed by the committee and witnesses before the committee.

Mr. WILSON. I agree with you on the matter.

Mr. GRAHAM. Miss Thompson, do you have any questions you wish to ask?

Miss THOMPSON. No.

Mr. GRAHAM. Mr. Walter, any questions?

Mr. WALTER. No.

Mr. GRAHAM. Mr. Willis?

Mr. WILLIS. No.

Mr. GRAHAM. Very well. Thank you.

Mr. UTT. Thank you.

Mr. GRAHAM. Mr. Cecil R. King.

STATEMENT OF HON. CECIL R. KING, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. KING. Mr. Chairman, I have a short statement of my own, in conjunction with a statement by a young man, Mr. John Real, who appeared before the Senate committee. Mr. Real represents all the fishing industries and subsidiary interested industries in my part of the State—of southern California. I feel he made a very worthwhile statement.

However, I know it is quite lengthy and I know the subcommittee would not choose to have me go through it. I wanted to ask, Chairman Graham, if it would be appreciated if I had copies of Mr. Real's statement mailed to each member of the subcommittee?

Mr. GRAHAM. Yes, we would be delighted to have them, but you will submit his statement for the record here?

Is there anything else you wish to add?

Mr. KING. I think it would be well, to conserve the committee's time, that my statement be inserted along with Mr. Real's. I am most anxious to do that.

Mr. GRAHAM. Without objection, both statements will be incorporated in the record at this point.

(The statements follow:)

STATEMENT BY CONGRESSMAN CECIL R. KING

Mr. Chairman, I have for many years supported the position of the coastal States in their efforts to obtain congressional quitclaim legislation to submerged lands lying off their coasts. I have now had called to my attention by the fishing industry in my district certain aspects of this legislation which, because of recent happenings, jeopardize the interests of not only the fishing industry but also of other maritime pursuits.

Most of the bills in their present form not only purport to return submerged lands to the States but also give Federal recognition to seaward boundary claims which, in fact, would expand the territorial waters claims of the United States. Portions of these bills would also set forth a new method of drawing the lines from which territorial waters should be determined. These bills, therefore, would settle the controversy between the Federal Government and the individual coastal States as to ownership of submerged lands but would open up the subject of territorial waters claims which is a matter of concern between the United States and the world.

During the Senate hearings on submerged-lands legislation Mr. John J. Real, representing all elements of the southern California fishing industry, made a statement on this subject. I am submitting that statement for the record and urge your careful consideration of the matters contained in it. It deals with this subject at length. In that statement suggestions are made to amend the pending bills to eliminate therefrom any possibility of affecting the United States policy on the freedom of the seas. If the bills in their final form carried these amendments the States would realize their primary objective without disturbing questions of such vital concern to the fishing and other maritime industries.

Fishing is the fourth largest industry of California and is in our pursuit for new sources of protein food, becoming of increasing importance to the Nation. I see no reason why the State of California, or any other coastal State for that matter, should be forced to elect between the welfare of its maritime industries and the acquisition of clear title to submerged lands. If the proposed amendments are adopted the dilemma disappears, and no such election is necessary.

STATEMENT OF JOHN J. REAL, BEFORE THE SENATE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS ON SENATE JOINT RESOLUTION 13

My name is John J. Real. I am the manager and attorney for the Fishermen's Cooperative Association of San Pedro, Calif., an organization of the owners of commercial fishing vessels. For the purpose of this hearing I am also representing the organizations listed in the sheet appended to this statement. These organizations represent all phases of California's fishing industry including boatowners, fishermen, cannery workers, and canners.

At the outset we wish to state that we have no opposition to what is generally considered to be the main purpose of the pending tidelands legislation. This purpose is, as we see it, to give, or as some would say "return" to the coastal States certain rights in and to the resources of certain of the waters lying off the coasts of these States. Our concern is that this pending legislation proposes to do more than that. Among other things it would, in effect, expand the historic claims of the United States to territorial waters by devices which would improperly bring within the seaward limits of the United States portions of what has been traditionally considered to be high seas, and would then give over to the sovereignty of the respective coastal States these newly acquired waters. Thus, while the tidelands problem commenced as a strictly internal Federal-State dispute, it has now, by the manner in which the tidelands legislation has been drafted, become a matter of international concern since it represents a change in United States policy toward the principle of the freedom of the seas.

The States as we shall show, need not and should not tamper with that policy in order to achieve their major objective.

Before pointing out specifically wherein the pending tidelands bills create the situation we have mentioned it is important to consider why the United States should not lead or join in any movement which changes in any manner the doctrine of the freedom of the seas. The United States policy has always been to claim coastal-water sovereignty over the narrowest possible belt of water. In the furtherance of this policy it has claimed a 3-mile-wide territorial sea measured from lines which, except in the case of bays and certain other coastal indentations, closely hugged its beaches. During the last few years claims have been made that recent developments in international law would permit the United States to change its traditional policy and to go farther seaward with its sovereignty.

During the 82d Congress H. R. 676 (Yorty) was introduced. The purpose of that bill was to have Congress determine the proper criteria for fixing the seaward limits of the United States. The matter was referred to the House Committee on Interior and Insular Affairs. This committee held several hearings on this matter. During these hearings it became obvious that it would be necessary to settle both a legal question viz, could the United States extend its seaward boundaries at this date, and a policy question, viz: if the United States could extend its seaward boundaries should it do so? The committee did a thorough job of analysis on this subject, prepared an excellent report, but understandably concluded that the matter was of such great scope and consequence that it could at this time merely raise some of the problems and could not, within the limited time at its disposal, find the solutions for them. The report recommended further investigation of the subject by the present Congress.

Since the tidelands bills in their present form attempt to expand United States sovereignty over the seas it is important to consider this matter in the same light in which we presented it to the committee hearing H. R. 676 and we will do so before pointing out specifically how these bills do what we are claiming they do.

Whether or not the United States can at this date change its territorial-waters policy is a question which would provoke long debate in the field of international law and since we do not claim the special knowledge in that field required for a complete discussion of that subject, we will not touch upon it. It is more important to discuss the question of whether or not the United States should change its policy if it could.

We are firm in the belief that the United States should not change its policy and should vigorously hold to claims which give to it sovereignty over the narrowest possible territorial sea. An article entitled "Troubled Waters" appearing in the July 1952 issue of the Stanford Law Review sums up the situation thusly:

"It may be that in the long run a policy of extending territorial waters would be detrimental to the United States. If we do this we could not complain if other nations did likewise. Our military and economic interests might be harmed as a result.

"A nation will certainly not wait for an invading force to reach its territorial limits before attempting to repel it. Therefore, we must not look to the question of national security and territorial waters in terms of an immediate hostile act. In this light, by taking part in a movement for claims to greater territorial waters, we may be limiting the operations of American Armed Forces in parts of the world waters which were once high seas. Similar problems would be presented as to airspace. These areas would become "territorial" and subject to regulation by the controlling sovereign.

"Economically, some American interests would suffer. For example, during the past several years a large segment of the American fishing industry has been threatened because of the extension of territorial waters by some Latin-American countries. American fishing boats have been seized in these extended waters. The State Department has protested that these seizures are illegal on the ground that the extensions of boundaries are contrary to international law. Charges for fishing in this area have also been challenged. An extension of United States territorial waters (by means of a new system of baselines) would knock the props from under our protests in these areas."

Of the uses to which the sea may be put by any nation those of navigation for purposes of maritime commerce, defense, exploitation of the mineral resources of the seabed, and fishing are unquestionably the most important. The United States as well as all other nations can enjoy these uses to a just maximum without the necessity of any encroachment on the principle of the freedom of the high seas.

For the full and proper enjoyment of the use of the seas and the airspace above for commercial navigation it is necessary that our vessels and planes be able to freely travel on the most direct and safest routes possible. Such direct and safe routes will invariably necessitate passage close to the shores of other nations. It is certainly far better to have these routes definitely established as being on, or over, the high seas and subject to the control of no nation rather than be required to depend on the right of innocent passage through or over the territorial waters of another nation. As a matter of fact, some question has already arisen as to whether there exists in international law the right of innocent passage in the airspace above the territorial waters of another nation and it should be remembered that no rights of innocent passage exist in inland waters. As we will show later, there has been of late a definite tendency by many nations to usurp more and more of the high seas. If this form of aquatic imperialism remains unchecked, the temptation will be present to make this newly claimed sovereignty more fruitful to the claiming nation by shrinking the right of innocent passage and forcing maritime nations to pay tribute or route their ships and planes far out to sea. The easiest way to start the ball rolling in this direction is for the United States, as a world leader, to push its own boundaries further seaward. Here is the possibility of everything to lose and nothing to gain. We have never done anything to discourage or hamper merchant shipping by other nations off our shores. As a matter of fact we have assisted, and are continuing to assist, the building of the merchant fleets of other nations. Why then would we wish to claim jurisdiction over a larger belt of water if in doing so we would put ourselves in a position to hamper these other nations and at the same time tempt nonmaritime nations to do likewise or to go much further.

The statement has been made that the enlargement of our claims to territorial waters would give us control of the oil and mineral resources of the seabed off our coasts. That might be true, except for the fact that it is not necessary for us or any other nation to expand seaward boundaries in order to achieve this result. In the first place, most of the activity necessary to exploit the resources of the seabed, even far out to sea, takes place at least in part on shore or within the 3-mile limit. It is conceivable, however, that man could devise an economically feasible way to exploit these resources in the deep waters outside the 3-mile limit without the necessity of shore or close-to-shore installations. It was for that reason that the often misinterpreted Presidential proclamation of September 28, 1945, was issued. The proclamation declares that it is the policy of the United States that the natural resources of the subsoil and seabed of the Continental Shelf beneath the high seas but contiguous to the coasts of the United States, appertain to the United States and are subject to its jurisdiction and control. This proclamation in no way affected the character as high seas of the waters above the Continental Shelf. It also did not affect the international character of the fish that swim in the sea over the shelf. Yet, as to oil and minerals, in the seabed, it accomplishes the purpose which the proponent of an expanded claim to territorial waters wish to accomplish by that latter device. Such a policy accords the same rights to other nations to make similar declarations as to seabed resources while still compelling a recognition of the principle of freedom of the seas. What then is accomplished to bter our position as to seabed resources by expanding our claims to territorial waters?

Of course the use of the sea in which those whom I represent are most interested in fishing. Fishing has probably created more territorial-water disputes than any other activity. You will recall that the recent Anglo-Norwegian case before the International Court of Justic was a fisheries case and as one author on the subject of territorial waters remarks: "The fishery question has been the focal point of the whole problem of territorial waters from its very beginning." The case of the United States fishing industry was aptly stated by Dr. W. M. Chapman then Special Assistant to the Under Secretary of State. This statement was made on May 25, 1950, to the Subcommitte on Fisheries of the House Committee on Merchant Marine and Fisheries in connection with an investigation of a seizure by Mexico of several United States shrimp vessels. On pages 11 and 12 of that statement he says:

"The fish populations which provide the raw material for four-fifths or more of the fishing industry now active in the United States either inhabit the high seas of the world or move back and forth between the high seas and the marginal seas of the contiguous countries.

"The tuna fishery has become the most valuable marine fishery of the United States. Nine-tenths of its yield comes from areas of the high seas which are

contiguous to the 10 American Republics south of San Diego on the Pacific coast. The fishery is still in a rapid state of expansion both volumewise and geographically. Nearly all sources of further expansion lie in the high seas off the coasts of other countries both in the Pacific and Atlantic.

"The great fisheries that have been prosecuted by New Englanders for 300 years lie for the most part in the high seas contiguous to the coast of Canada. All expansion that is anticipated lies in the direction of being farther and farther from our coasts, northward and eastward around the corner of Newfoundland and up Davis Strait past Greenland and Labrador.

"In the Pacific Northwest we have valuable fisheries for salmon, halibut, various ground fish, albacore, and other fishes in the high seas contiguous to British Columbia. Our Pacifice fisheries are expanding outward into the multitudions islands of Oceania, which are under the jurisdiction of many nations.

"The fishery for shrimp in the Gulf of Mexico has become one of our most rapidly growing and valuable fisheries. New banks are being discovered one after the other. The rapidly expanding fishery is moving south into the high seas contiguous to our neighbors to the south. It is known that large unused resources of shrimp lie farther south waiting the harvest and going to waste each year for want of it.

"Thus if we permit the loss of our fisheries that now exist in the high seas contignous to the coasts of foreign countries we lose the biggest half of our fishing industry at one stroke.

"Even this, however, is not so serious as the fact that we would at the same time lose the right to expand these fisheries as this Nation's need for protein food and animal oils expands with our growing population.

"The food resources of our land area are strictly limited. The vast food resources available in the sea are only now being realized as the result of ocean-research programs which have been going on during and since the war. Undreamed of new technical means are being designed and put into use to harvest food resources not known to mankind before. The picture of harvesting food from the sea is changing with such rapidity that no man can tell today what shape or volume it will take next year or the years thereafter.

"We cannot afford to allow ourselves to be excluded from access to these raw materials of the sea.

"If one nation can unilaterally extend its sovereign territory out to sea by as much as a quarter of a mile then there is no reason why it or any other nation cannot extend its boundaries seaward by 200 miles, by 400 miles, or by such distance it may desire. In the chaotic situation that such claims and counter-claims would bring about the United States would not stand to be the gainer nor, I believe, would mankind generally.

"Whether the band of marginal sea is 2 miles, 3 miles, or 6 miles is not a matter of the greatest practical importance. The important practical point is that it must be narrow in order to prevent those nations who are able to harvest the resources of the sea from being excluded from access to these resources."

What Dr. Chapman says of the United States fishery is equally true of the fishing industry of other nations. Migratory fish have no nationality and fishermen of all nations must follow them to the waters off the coasts of many other countries. In many instances these fish migrate off the coasts of nations who have not progressed to the point of being able to adequately harvest them. These nations led by a short-sighted policy of opportunism, have seen more advantage in the process of presently taxing the efforts of the fishermen of other countries than in retaining for themselves the future opportunity of fishing off the coasts of other nations when, and if, they too should become a fishing nation. Accordingly they have expanded their claims to territorial waters as far as 200 miles to sea and if they can do this with impunity there is no reason why they cannot go farther. Such nations would receive considerable aid and comfort from any efforts on the part of the United States to expand its own territorial waters.

For the reasons given above by Dr. Chapman, the United States has an obligation to its own fishing industry to prevent maritime aggression by others. In its role as a world leader it owes a like obligation to other fishing nations. It can't fulfill these obligations by attempts to expand its own claims no matter how subtly they be disguised.

The statements we make as to the effects elsewhere of a United States policy extending territorial waters claims even to the slightest degree are not in any way speculative or unlikely. Our fears are realistic and proof of this lies in the happenings of the last few years.

The position taken by the United States in many world matters is often (and sometimes intentionally) misunderstood. When the Presidential proclamation regarding the Continental Shelf was issued in 1945, it caused a rash of new world-wide claims. Within 5 years approximately 20 nations issued similar proclamations, as unquestionably they had the right to do, but in the case of several Latin-American nations the proclamations included extension of actual sovereignty over sea areas as far as 200 miles. The Presidential proclamation did not claim for the United States any degree of sovereignty beyond that which had previously been claimed, to wit, the 3-mile limit. Yet these latter nations used this as a springboard for their extravagant claims. As of this moment there are further claims in the making. We have no hesitation in predicting that a misapplication of the Anglo-Norwegian Fisheries case will be made in the furtherance of still greater claims. Norway conducts a whale fishery in the Pacific in waters 50 miles and more from the shores of South America. It is no secret that some of the South American Pacific coastal States have longed for control over this high seas fishery now being carried on by Norway. It is not inconceivable that, as in the case of the United States Presidential proclamation, they should use the Anglo-Norwegian Fishers case as a further, even though again improper, justification for their efforts. Norway may well find that by that case she gained a cod but lost a whale.

As things now stand the States own the lands and the resources thereof under the inland waters as well as the resources of the waters themselves. Inland waters are those waters which lie landward of the base line drawn to mark the innermost boundary of territorial waters. The United States owns the lands under the territorial waters and the resources in those lands. The United States is in a position to quitclaim all or any portion of its rights in inland waters and territorial waters and in the resources underlying them. That alone is what the present tidelands legislation should do. It can do this without tampering with seaward boundaries of states, and without raising serious questions on the problem of territorial waters and the method of reckoning them.

All of the tidelands bills that we have seen contain the same language which we consider faulty in that it carries the state rights controversy into the realm of territorial waters problems. Our references, however, will be to Senate Joint Resolution 13. In title I, section 2 (a) of the bill recognizes a power in Congress to extend a State boundary further seaward than 3 miles. A serious question, as yet not completely answered in the realm of international law, arises as to whether any nation having once made its claim to its seaward boundaries can thereafter expand them. Regardless of the legal answer to that question, it would certainly be ill advised for the United States, as a matter of policy to say to the world that seaward boundaries can be expanded. If the Federal Government desires now, or at any future date, to give to the States its rights in the seabed resources beyond the 3-mile limit, it can do so and does not have to change its, or a State's, seaward boundaries to do so. If the matter of the boundaries of certain States is an important consideration with respect to matters other than title to resources, it should be handled independently of this legislation. Such matters require a careful analysis of their world wide effect. The committee hearing, H. R. 676 (Yorty), found that an abundance of time was necessary for a proper consideration of that subject. It is doubtful that the time necessary to consider the primary objectives of these bills would permit consideration of the additional seaward boundaries problem.

In title I, section 2 (b) the term "coastline" is defined. The definition given to this term would draw lines for the determination of territorial waters in a manner not consistent with present United States policy. It would include as inland waters all estuaries, bays, channels, straits, and sounds and all other bodies of water which join the open sea. The present United States policy is that the line from which to reckon territorial waters is the low-water mark on the beach except in the case of bays and other coastal indentations where special rules are applied. The broad method of determination of boundaries permitted by these bills is not consistent with present United States policy.

In our opinion the present bills should be amended so as to eliminate all possible conflicts with the present United States policy on territorial waters. Each of the States which would gain from quitclaim legislation has some interest in fishing or other maritime pursuits. There is no need to place those interests in jeopardy. The affected States can accomplish their primary purpose without doing that. They can gain their cod without losing a whale.

We have proposed some amendments which we feel will satisfy our objections to the present bills. Those proposed amendments are attached to this statement.

ORGANIZATIONS JOINING IN THE FOREGOING STATEMENT

Boatowners associations:
Fishermen's Cooperative Association, San Pedro, Calif.
American Tunaboat Association, San Diego, Calif.
Southern California Commercial Fishing Boat Owners Cooperative, Inc., Long Beach, Calif.
San Diego Commercial Fishing Boat Owners, Inc., San Diego, Calif.

The foregoing organizations represent the owners of approximately 600 tuna clippers, purse seiners, and albacore vessels who fish for mackerel and sardines in California and for tuna off the shores of Latin America.

Labor unions:
Siene and Line Fishermen's Union (AFL), San Pedro, Calif.
Cannery Workers and Fishermen's Union (AFL), San Diego, Calif.
Cannery Workers Union of the Pacific (AFL), San Pedro, Calif.
(The foregoing three unions are affiliated with Seafarers International Union of North America (AFL)).
Fishermen's Union (Local 33, ILWU), San Pedro, Calif.

The foregoing unions represent approximately 14,600 California fishermen and cannery workers.

Canners organizations:
California Fish Canners Association, Terminal Island, Calif.
Tuna Research Foundation, Long Beach, Calif.

The foregoing organizations represent 15 canners of tuna, mackerel, and sardines in California.

PROPOSED AMENDMENTS TO SENATE JOINT RESOLUTION 13

(Proposed additions are italic; proposed deletions are in black brackets.)

Amendment No. 1 amends title I, section 2 (a) and (b):

"TITLE I

"Definition

"SEC. 2. When used in this Act—

"(a) The term 'lands beneath navigable waters' includes (1) all lands within the boundaries of each of the respective States which [were] *are* covered by waters navigable under the laws of the United States [at the time such State became a member of the Union], and all lands permanently or periodically covered by tidal waters up to but not above the line of mean high tide and seaward to a line three [geographical] *nautical* miles distant from the coast line [, of each such State and to the boundary line of each such State where in any case such boundary as it existed at the time such State became a member of the Union, or as heretofore or hereafter approved by Congress, extends seaward (or into the Great Lakes or Gulf of Mexico) beyond three geographical miles,] and (2) all filled in, made, or reclaimed lands which formerly were lands beneath navigable waters, as herein defined; [the term "boundaries" includes the seaward boundaries of a State or its boundaries in the Gulf of Mexico or any of the Great Lakes as they existed at the time such State became a member of the Union, or as heretofore or hereafter approved by the Congress, or as extended or confirmed pursuant to Section 4 hereof;]

"(b) The term 'coast line' means *(1)* the line of ordinary low water along that portion of the coast which is in direct contact with the [open] sea, [and] *or* (2) the line *asserted by the United States as* marking the seaward limits of *its* inland waters [, which include] *in respect of* [all] estuaries, ports, harbors, bays, channels, straits, historic bays, [and] sounds, [and] or [all] other bodies of water [which join the open sea] *along its coast.*"

* * * * * * *

Amendment No. 2 amends title I, section 2 (d):

"(d) The term 'natural resources' shall include, without limiting the generality thereof, oil, gas, and all other minerals, and *also includes, within three nautical miles of the coast line, as herein defined, fish,* shrimp, oysters, clams, crabs, lobsters, sponges, kelp, and other marine animal and plant life, [but] *The term* shall not include water power or the use of water for the production of power at any site where the United States now owns the water power;"

* * * * * * *

Amendment No. 3 amends title II, section 4:

"SEC. 4. SEAWARD BOUNDARIES.—Any State which has not already done so may extend its seaward boundaries to a line three [geographical] *nautical* miles distant from its coast line, or in the case of the Great Lakes, to the international boundary of the United States. Any claim heretofore or hereafter asserted either by constitutional provision, statute, or otherwise, indicating the intent of a State so to extend its boundaries is hereby approved and confirmed, without prejudice to its claim, if any it has, that its boundaries extend beyond that line. [Nothing in this section is to be construed as questioning or in any manner prejudicing the existence of any State's seaward boundary beyond three geographical miles if it was so provided by its constitution or laws prior to or at the time such State became a member of the Union, or if it has been heretofore or is hereafter approved by Congress.]"

SUPPLEMENTAL STATEMENT OF JOHN J. REAL BEFORE THE SENATE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS HEARING SENATE JOINT RESOLUTION 13

During our appearance before the committee, the chairman requested that we file a supplemental statement setting forth the claims of Latin American nations to expanded sovereignty over the high seas.

Our point in this connection is that any movement by the United States with respect to territorial waters is closely watched by other nations particularly those of Latin America. Unquestionably the tendency of those nations is to find a way to expand their own claims. Many times what the United States says on this subject is misunderstood. Sometimes such misunderstanding appears to be intentional. When the Presidential proclamation of September 28, 1945, respecting ownership of the Continental Shelf sea-bed resources was issued, a rash of claims, which went far beyond the stated limitations of the Presidential proclamation, were made.

It is our suggestion that a more complete and detailed study of what these claims were and what the United States has done about them should be requested by this committee from the Department of State. Our information indicates the following claims made on the heels of the Presidential proclamation.

Mexico.—On October 29, 1945, the President of Mexico published a declaration in which he claimed the whole Continental Shelf adjacent to the coasts of Mexico.

Panama.—In 1946, the Constitution of Panama was amended to provide that the national territory of Panama includes the submarine Continental Shelf.

Chile.—On June 23, 1947, Chile proclaimed national sovereignty over the adjacent Continental Shelf and its national resources.

Peru.—On August 1, 1947, Peru issued a decree in which it was declared that the national sovereignty and jurisdiction of Peru was extended over the Continental or island submarine Shelf.

Costa Rica.—In 1948, Costa Rica issued a proclamation substantially similar to that of Chile.

Nicaragua.—In 1950 Nicaragua provided that the national territory of Nicaragua includes the Continental Shelf and the marine and island shelves.

El Salvador.—In the 1950 constitution of El Salvador the national territory of that country was declared to include the adjacent seas within a distance of 200 nautical miles of its coasts.

Honduras.—In 1951 Honduras declared that its sovereignty was extended over the Continental and island Shelves.

Ecuador.—Ecuador has under consideration at the present time the proposition of whether or not it should follow Peru and Chile. Ecuador has declared that its present jurisdiction extends 12 miles from a line drawn from headland to island to headland. In some instances this brings under Ecuadorian jurisdiction waters within 25 to 30 miles from its beaches. Ecuador has also declared that the right of innocent passage does not exist in favor of fishing vessels.

Argentina, Brazil and, lately, Venezuela have made claims similar to those set forth above.

In all of the foregoing cases the claims purported to assimilate, in one manner or another, adjacent sea areas to national control. The United States Presidential proclamation did not do this and therefore in most, if not all, of the foregoing cases the United States Department of State was forced to protest the claims made by these other nations.

It is our belief that the seaward boundaries implications of Senate Joint Resolution 13 would set off a similar and more damaging chain reaction.

We reiterate that it would be of value to the committee to invite detailed comments of the Department of State on the foregoing as well as on the entire problem which we have sought to bring forth to the committee.

Mr. GRAHAM. Mr. Hillings, do you have any questions you wish to ask?

Mr. HILLINGS. No.

Mr. GRAHAM. Miss Thompson?

Miss THOMPSON. No.

Mr. GRAHAM. Mr. Wilson?

Mr. WILSON. I have not read your statement, Mr. King, but I am sure it is a very fine statement. But do you have any opinion, Mr. King, with regard to the attorney general's assertion both before the Senate and the House that instead of quitclaiming to the States of their seaward and historical boundaries, that other words be used granting a license to fish and drill for minerals, rather than a quitclaim deed?

Mr. KING. I would prefer the quitclaim deed.

Mr. WILSON. In your opinion, a quitclaim deed as provided in the Holland bill, and Walter bill, in your opinion it would take at least that before the State could lease that territory for exploration for oil?

Mr. KING. I agree with that.

Mr. WILSON. I have nothing else, Mr. Chairman.

Mr. GRAHAM. Mr. Walter, any questions?

Mr. WALTER. Do you not feel that the language raises the question whether or not there has ever been any title, and is not that the advisable thing to do?

Mr. KING. Yes, I agree with that.

Mr. WALTER. To quitclaim if the United States ever had anything.

Mr. KING. Quite right.

Mr. WALTER. I am one of those fellows that contends nothing ever passed to the United States. If the United States has no title, of course, no quitclaim deed will retransfer title. So I think it stands to reason that we retain that language if there is any title, and the instrument we are discussing is the only way that the cloud can be removed from the title.

Mr. KING. Mr. Walter, I attended a lecture the other night by a very competent gentlemen, and he prefaced his hour and 50 minutes, you might say, introducing himself to the audience by this statement, "Nothing is simple any more." And I have thought of it several times since, and I do not know anything that could fit the general run of propositions that the Congress is confronted with in recent years than, "Nothing is simple any more."

Many people in the field and our constituents think that it is just a matter of having Mr. Hillings, Mr. King, and Mr. Wilson present their proposition and that settles it.

Mr. GRAHAM. We have unfortunately overlooked Mr. Hyde.

Mr. HYDE. I have no questions.

Mr. GRAHAM. Any further questions? If not, thank you, Mr. King.

Mr. KING. Thank you.

Mr. GRAHAM. Mr. King, for your information, Mr. Foley wrote Mr. Real and told him he could hear him tomorrow.

Mr. KING. Thank you.

Mr. GRAHAM. Now, is Mr. Perkins here?

Mr. WILSON. Mr. Chairman, while we are waiting, I would like to introduce for the record the annexation agreement between the United

States and Texas, which I placed in the Congressional Record Friday, July 27, 1951, at pages 9308 and 9309.

Mr. GRAHAM. Without objection, it is so ordered.

(The document is as follows:)

[Congressional Record No. 138, Friday, July 27, 1951, pp. 9308–9309]

SUBMERGED LANDS ACT

(Mr. Wilson of Texas asked and was given permission to extend his remarks at this point and include four documents.)

Mr. WILSON of Texas. Mr. Speaker, as a part of my remarks, I include the following documents:

CONFIRMATION OF AGREEMENT AND FORMAL ACT OF ADMISSION

JOINT RESOLUTION OF THE CONGRESS OF THE UNITED STATES, DECEMBER 29, 1845, TWENTY-NINTH CONGRESS, FIRST SESSION, NINTH STATUTE, PAGE 108

Joint resolution for the admission of the State of Texas into the Union

Whereas the Congress of the United States, by a joint resolution approved March 1, 1845, did consent that the territory properly included within, and rightfully belonging to the Republic of Texas, might be erected into a new State, to be called the State of Texas, with a republican form of government, to be adopted by the people of said Republic, by deputies in convention assembled, with the consent of the existing government, in order that the same might be admitted as one of the States of the Union; which consent of Congress was given upon certain conditions specified in the first and second sections of said joint resolution; and

Whereas the people of the said Republic of Texas, by deputies in convention assembled, with the consent of the existing government, did adopt a constitution and erect a new State, with a republican form of government, and in the name of the people of Texas, and by their authority, did ordain and declare, that they assented to and accepted the proposals, conditions, and guarantees contained in said first and second sections of said resolution; and

Whereas the said constitution, with the proper evidence of its adoption by the people of the Republic of Texas, has been transmitted to the President of the United States, and laid before Congress, in conformity to the provisions of said joint resolution: Therefore

Resolved, etc., That the State of Texas shall be one, and is hereby declared to be one, of the United States of America, and admitted into the Union on an equal footing with the Original States, in all respect whatever.

ASSENT BY THE PEOPLE OF TEXAS

ORDINANCE OF THE CONVENTION OF TEXAS, JULY 4, 1845 (2 GAMMEL'S LAWS OF TEXAS 1228)

An ordinance

Whereas the Congress of the United States of America has passed resolutions providing for the annexation of Texas to that Union, which resolutions were approved by the President of the United States on the first day of March one thousand eight hundred and forty-five; and whereas the President of the United States has submitted to Texas the first and second sections of the said resolution, as the basis upon which Texas may be admitted as one of the States of the said Union; and whereas the existing Government of the Republic of Texas has assented to the proposals thus made, the terms and conditions of which are as follows:

(Quoted here was all of the joint resolution of the Congress of the United States of March 1, 1845, except par. 3.)

Now in order to manifest the assent of the people of this Republic as required in the above-recited portions of the said resolutions, we, the deputies of the people of Texas in convention assembled, in their name and by their authority, do ordain and declare, that we assent to, and accept the proposals, conditions

and guarantees contained in the first and second sections of the resolution of the Congress of the United States aforesaid.

Acceptance by the Congress of Texas

JOINT RESOLUTION OF THE CONGRESS OF TEXAS, JUNE 23, 1845 (2 GAMMEL'S LAWS OF TEXAS 1225)

Joint resolution giving the consent of the existing Government to the annexation of Texas to the United States

Whereas the Government of the United States hath proposed the following terms, guaranties, and conditions, on which the people and Territory of the Republic of Texas may be erected into a new State, to be called the State of Texas, and admitted as one of the States of the American Union, to wit: (Quoted here was all of the joint resolution of the Congress of the United States of March 1, 1845, except paragraph 3.) And whereas, by said terms, the consent of the existing government of Texas is required: Therefore be it

Resolved by the Senate and House of Representatives of the Republic of Texas in Congress assembled, That the Government of Texas doth consent, that the people and territory of the Republic of Texas may be erected into a new State, to be called the State of Texas, with a republican form of Government, to be adopted by the people of said Republic, by deputies in convention assembled, in order that the same may be admitted as one of the States of the American Union; and said consent is given on the terms, guaranties, and conditions set forth in the preamble to this joint resolution.

Sec. 2. *Be it further resolved*, That the proclamation of the president of the Republic of Texas, bearing date May 5, 1845, and the election of deputies to sit in convention, at Austin, on the fourth day of July next, for the adoption of a constitution for the State of Texas, had in accordance therewith, hereby receives the consent of the existing government of Texas.

Sec. 3. *Be it further resolved*, That the president of Texas is hereby requested immediately to furnish the Government of the United States, through their accredited minister near this government, with a copy of this joint resolution; also to furnish the convention to assemble at Austin on the fourth of July next, a copy of the same. And the same shall take effect from and after its passage.

Texas Annexation Agreement Proposal by the United States

JOINT RESOLUTION OF THE CONGRESS OF THE UNITED STATES, MARCH 1, 1845, TWENTY-EIGHTH CONGRESS, SECOND SESSION (5 STAT. 797)

Joint resolution for annexing Texas to the United States

Resolved, etc., That Congress doth consent that the territory properly included within, and rightfully belonging to the Republic of Texas, may be erected into a new State, to be called the State of Texas, with a republican form of government, to be adopted by the people of said Republic, by deputies in convention assembled, with the consent of the existing government, in order that the same may be admitted as one of the States of this Union.

2. *And be it further resolved*, That the foregoing consent of Congress is given upon the following conditions, and with the following guaranties, to wit: First, said State to be formed, subject to the adjustment by this Government of all questions of boundary that may arise with other governments; and the Constitution thereof, with the proper evidence of its adoption by the people of said Republic of Texas, shall be transmitted to the President of the United States, to be laid before Congress for its final action, on or before the 1st day of January 1846. Second, said State, when admitted into the Union, after ceding to the United States all public edifices, fortifications, barracks, ports, and harbors, navy and navy yards, docks, magazines, arms, armaments, and all other property and means pertaining to the public defense belonging to said Republic of Texas, shall retain all the public funds, debts, taxes, and dues of every kind which may belong to or be due and owing said Republic; and shall also retain all the vacant and unappropriated lands lying within its limits, to be applied to the payment of the debts and liabilities of said Republic of Texas; and the residue of said lands, after discharging said debts and liabilities of said Republic of Texas; and the residue of said lands, after discharging said debts and liabilities, to be disposed of as said State may direct; but in no event are said debts and liabilities to become a charge

upon the Government of the United States. Third, new States, of convenient size, not exceeding four in number, in addition to said State of Texas, and having sufficient population, may hereafter, by the consent of said State, be formed out of the territory thereof, which shall be entitled to admission under the provisions of the Federal Constitution. And such States as may be formed out of that portion of said territory lying south of 36 degrees 30 minutes north latitude, commonly known as the Missouri Compromise line, shall be admitted into the Union with or without slavery, as the people of each State asking admission may desire. And in such State or States as shall be formed out of said territory north of said Missouri Compromise line, slavery, or involuntary servitude (except for crime) shall be prohibited.

3. *And be it further resolved*, That if the President of the United States shall in his judgment and discretion deem it most advisable, instead of proceeding to submit the foregoing resolution to the Republic of Texas, as an overture on the part of the United States for admission, to negotiate with that Republic: Then be it

Resolved, that a State, to be formed out of the present Republic of Texas, with suitable extent and boundaries, and with two Representatives in Congress, until the next apportionment of representation, shall be admitted into the Union, by virtue of this act, on an equal footing with the existing States, as soon as the terms and conditions of such admission, and the cession of the remaining Texan Territory to the United States shall be agreed upon by the Government of Texas and the United States. And that sum of $100,000 be, and the same is hereby, appropriated to defray the expenses of missions and negotiations, to agree upon the terms of said admission and cession, either by treaty to be submitted to the Senate, or by articles to be submitted to the two Houses of Congress, as the President may direct.

Mr. GRAHAM. Mr. Foley, may I ask you at this point if you have any resolutions?

Mr. FOLEY. Yes, sir; we have several.

Mr. GRAHAM. We will have them inserted in the record at this point.

Mr. FOLEY. The first one is a letter from the Chamber of Commerce of the United States of February 18, 1953, together with a statement in support of the legislation to confirm and establish the titles of the States to land beneath the navigable waters within the State boundaries.

Mr. GRAHAM. It is admitted without objection.

(The statement is as follows:)

CHAMBER OF COMMERCE OF THE UNITED STATES,
Washington 6, D. C., February 18, 1953.

Hon. CHAUNCEY W. REED,
Chairman, House Judiciary Committee,
House Office Building, Washington 25, D. C.

DEAR MR. REED: The Chamber of Commerce of the United States strongly urges your Judiciary Committee to report favorably legislation before your committee to confirm and establish the titles of the States to lands beneath navigable waters within State boundaries and to the natural resources within such lands and waters.

The chamber's interest in this legislation goes beyond our belief that the States own these tidelands and our desire to see the controversy settled so that the prospecting and development of the valuable oil deposits underneath them, now at a standstill, can proceed in an orderly manner. We firmly believe that the doctrine of Federal paramount rights and dominion, set forth in the Supreme Court's California tidelands decision, is a dangerous one that should be repudiated at once. Our reasons for these beliefs are given in the attached statement.

The chamber therefore strongly urges you to vote for this legislation and to work for its passage.

We ask that this letter and attached statement be inserted in the record of the committee's hearings on tidelands legislation.

Cordially yours,

CLARENCE R. MILES.

STATEMENT OF THE CHAMBER OF COMMERCE OF THE UNITED STATES IN SUPPORT OF LEGISLATION TO CONFIRM AND ESTABLISH THE TITLES OF THE STATES TO LANDS BENEATH NAVIGABLE WATERS WITHIN STATE BOUNDARIES

The controversy over ownership of the lands beneath navigable inland and coastal waters within the established State boundaries—the so-called tidelands controversy—transcends the mere ownership of the submerged lands and the valuable oil and other resources within them.

It involves the fundamental freedom of the States and their individual citizens. The 10th amendment in the Bill of Rights prescribed that "The powers not delegated to the United States by the Constitution nor prohibited by it to the Sates are reserved to the States respectively, or to the people." The 5th amendment concludes with these words: "Nor shall private property be taken for public use without just compensation."

These inalienable rights bestowed by the Constitution are jeopardized by the new doctrine of Federal paramount rights and dominion propounded in the Supreme Court's California tidelands decision of June 23, 1947. Under this doctrine the Federal Government, under the guise of needs for national defense, could seize without recompense any natural resource or any land. How did this come about?

The colonial charters of what later became the Thirteen Original States granted not only the land and the waters thereon, but also the sea for distances ranging from 3 miles to 20 leagues (about 60 miles). When these Colonies formed the United States of America, their seaward boundaries became fixed at 3 miles. Later as new States were created out of the wildlands of the West, they were admitted into the Union on an eqnal footing with the original States in all respects. The seaward boundaries of coastal States were fixed at the 3-mile limit, except in the case of Texas and the west coast of Florida where the seaward boundary was 3 marine leagues or about 10½ miles.

The unsettled territory of most of these States, however, was recognized as Federal and became the public domain, over which the States had jurisdictional sovereignty but not title. The Federal Government did not specifically lay claim to the navigable streams and lakes, the harbors, and the tidelands and ocean out to the 3-mile limit. The title to these was generally recognized as belonging to the States, subject only to regulation of navigation by the Federal Government.

Some individuals in the past have claimed that these submerged lands were a part of the public domain and therefore belonged to the Federal Government, but in every case the courts upheld State titles. No less than 52 decisions of the United States Supreme Court, dating from 1844, have involved State ownership of submerged lands, mostly dealing with filled lands made from tidal swamps and shallow water along the coasts. The Federal Government recognized the State ownership and leased or purchased from the States sites for lighthouses, naval bases, etc.

That's the way things stood in 1936. Oil had been discovered some years before under the submerged lands of southern California, and was being produced in ever-increasing quantity under leases from the State. Some individuals and companies, failing to get State leases, had made application for Federal leases on the basis that the submerged lands were owned by the Federal Government, but in every case their applications were rejected. Mr. Harold Ickes, then Secretary of Interior, ruled in 1933 that such claims must be rejected, and he cited a United States Supreme Court decision that "Such title to the shore and lands under water is regarded as incidental to the sovereignty of the State * * * and cannot be retained or granted out to individuals by the United States."

Then suddenly, in 1936, Mr. Ickes changed his mind. On January 16, 1936, C. A. Weigel filed an application for a Federal oil lease for an operating underwater oil field off the coast of Huntington Beach, Calif. Mr. Ickes reversed the long-settled policy of the Interior Department and allowed this and other subsequent applications to stand open. Why did Mr. Ickes change his mind? His only answer was that when he ruled that the States held title to these lands he had "made a mistake."

When Mr. Ickes' "change of mind" was announced, applications for other Federal leases to "tidelands" began to pour in. None of these lease applications were granted, but Mr. Ickes began urging legislative or judicial action to declare the oil-bearing submerged lands to be Federal property.

On April 15, 1937, a bill was introduced in the Senate for this purpose. A similar Senate joint resolution passed the Senate in 1937 and was reported out

by the House Judiciary Committee in 1938 but died with the end of the 75th Congress.

Similar legislation was introduced in the 76th Congress in 1939, but by this time the people of the other States had become awakened to the fact that more than oil under the submerged lands was involved and that the legislation would cloud the titles to filled lands and their improvements along the coasts, inland lakes, and navigable streams. Legislation was introduced to affirm titles of submerged coastal lands and inland navigable waters to the States. Such legislation gained more strength in each Congress. It had the backing of the attorneys general of 46 States. This legislation finally passed both Houses of Congress in 1946 but was vetoed by President Truman.

Not until 1945, when State-ownership legislation was pending before the Congress and had a good chance of passage, did the Department of Justice step in to uphold Mr. Ickes' claims. Former Attorney General Biddle caused a suit to be filed in the Federal district court of southern California against an oil company operating off the California coast under a State lease, claiming the lands on behalf of the Federal Government. This suit was later dropped, and a new suit, carried directly to the United States Supreme Court, was initiated against the State of California, claiming that all persons who held title or leases from the State of California on submerged lands were trespassers against the rights of the United States.

The Supreme Court's decision in the California Tidelands case, handed down on June 23, 1947, was a most astounding one. In a 6-to-2 opinion, the Court ruled that the question of ownership of the submerged coastal lands out to the 3-mile limit had never previously been settled and that California did not own these lands. The decision did not say, however, that the Federal Government did own the submerged lands but that, because of the needs for national defense, it had "paramount rights" and "dominion" over them. The ruling left the door open for Congress to decide actual ownership.

Mr. Justice Reed, in his dissenting opinion, said:

"The determination as to the ownership of the land in controversy turns for me on the fact as to ownership in the Original Thirteen States of similar lands prior to the formation of the Union * * *. The authorities cited in the Court's opinion lead me to the conclusion that the original States owned the lands under the seas to the 3-mile limit * * *. If the original States did claim, as I think they did, sovereignty and ownership to the 3-mile limit, California has the same rights in the lands bordering its littoral.

"This ownership in California would not interfere in any way with the needs or rights of the United States in war or peace. The power of the United States is plenary over these undersea lands precisely as it is over every river, farm, mine, and factory of the Nation."

In the other dissenting opinion, Mr. Justice Frankfurter said:

"To declare that the Government has 'national dominion' is merely a way of saying that vis-a-vis all other nations the Government is the sovereign. If that is what the Court's decree means, it needs no pronouncement by this Court to confer or declare such sovereignty. If it means more than that, it implies that the Government has some proprietary interest. That has not been remotely established except by sliding from absence of ownership by California to ownership by the United States.

"Let us assume, for the present, that ownership by California cannot be proven. On a fair analysis of all the evidence bearing on ownership, then, this area is, I believe, to be deemed unclaimed land, and the determination to claim it on the part of the United States is a political decison not for this Court."

Similar original United States Supreme Court suits were immediately brought against Texas and Louisiana, where development of oil and gas under State leases had already begun beneath the shallow waters of the Gulf of Mexico, both within the State boundaries and in the Continental Shelf beyond. The Texas and Louisiana decisions were handed down on June 5, 1950, and were similar to the California decision. Texas had expected a decision favorable to her interests because, when she had come into the Union, it was under an agreement that she was to "retain all the vacant and unappropriated lands lying within its limits." This was ignored and the "paramount rights" doctrine was again applied.

Production of oil and gas off the California coast continued under a series of stipulations between the State and the Federal Government with the proceeds being impounded until the question of ownership is settled. But the

Texas and Louisiana decisions completely stopped all development of the oil and gas deposits off those coasts at a time when the oil was badly needed for domestic and defense purposes.

The 82d Congress saw a flood of tidelands legislation—some for Federal ownership, some for State ownership, and some to allow interim oil and gas development pending final settlement of ownership.

The House of Representatives, in July 1951, passed by 265 to 109 the Walter bill, H. R. 4484, to confirm and establish State titles to submerged lands within the States' original boundaries and confirm Federal ownership of the Continental Shelf beyond with Federal leasing of its oil deposits.

Senator Joseph O'Mahoney, chairman of the Senate Interior Committee, kept within his committee all bills favorable to State ownership. Finally, in the second session in 1951, his fellow committee members agreed to report out an interim Federal leasing bill, Senate Joint Resolution 20, on the condition that it should be open for amendment on the floor of the Senate. On the floor it was amended to make it identical with the House bill except for the provisions regarding the Continental Shelf, and passed with a much smaller majority than the House bill. The House accepted the amended Senate Joint Resolution 20, but again President Truman vetoed it and the Senate could not muster enough votes to pass it over the President's veto.

The "tidelands" were an issue in the 1952 elections. The Republican platform contained a plank favoring State ownership and the Democratic one favored Federal ownership. The issue was prominent in the campaigns in California, Texas, and Louisiana.

In his last days in office, President Truman tried to forestall action on the "tidelands" in the 83d Congress by issuing an Executive order declaring them a naval oil reserve. The present Attorney General subsequently has said that that Executive order "did not intend to, nor did it in fact or in law, create a naval petroleum reserve within the meaning of the statute."

The doctrine of Federal "paramount rights" and "dominion," enunciated in the Supreme Court's California tidelands decision, has implications far beyond control of the submerged lands and the valuable oil deposits under them.

The American Bar Association, after careful investigation and consideration, concluded:

"The new concept that the Federal Government has the 'paramount right' to take property without compensation because it may need that property in discharging its duty to defend the country and conduct its foreign relations can have no logical end except that the Federal Government may take over all property, public and private, and under this theory the Federal Government could nationalize all of the natural resources of the country without paying the owners therefor, wholly in disregard of the fifth amendment."

The National Association of Attorneys General, representing the chief legal officers of the States, sounded this warning:

"The principles of the 'tidelands' decisions, if not erased from the law of the land by act of Congress, could lead to nationalization of private lands as well as State lands without compensation."

Federal officials and congressional proponents of Federal ownership of the "tidelands" have asserted that this is not so. Yet the Justice Department in 1951 used these very same words—"paramount rights"—in the celebrated "Fallbrook case." This was a gigantic lawsuit aimed at every water rights owner in the entire basin of the Santa Margarita River in southern California, a total of approximately 14,000 prospective defendants of which more than 3,000 were actually served with complaints. An additional water supply was needed for the Marine Camp Joseph C. Pendelton. The Navy had purchased the largest water rights on the river and was negotiating for others when the United States Attorney General stepped in with the Fallbrook suit, using the claim of "paramount rights" in an effort to take the water without recompense.

The Chamber of Commerce of the United States put the "tidelands" issue to the vote of its members in 1946 in a referendum. By an overwhelming vote, the membership adopted a policy declaration, reiterated twice since, favoring State ownership. This policy declaration states:

"The Congress should give statutory reaffirmation to State ownership of all lands beneath navigable waters within the boundaries of each of the respective States, established by their several enabling acts, including lands beneath tidal waters, those extending for 3 nautical miles (or to other established State boundaries) seaward beyond ordinary low water mark of coastlines and those beneath bays, inlets, lakes, and rivers."

Mr. FOLEY. The next one is a resolution of the Board of Supervisors of the City and County of San Francisco of January 12, 1953, urging Congress to enact legislation to reaffirm California's unquestioned title to its submerged lands.

Mr. GRAHAM. It is admitted without objection.

(The document is as follows:)

RESOLUTION No. 12948—URGING CONGRESS TO ENACT LEGISLATION TO REAFFIRM CALIFORNIA'S UNQUESTIONED TITLE TO ITS TIDE AND SUBMERGED LANDS

(Series of 1939)

Whereas the city and county of San Francisco has heretofore recognized the urgent necessity for enactment of Federal legislation which will have the effect of removing the cloud cast upon the title of the State of California and all of its subdivisions or persons acting pursuant to its permission, to the tide and submerged lands off the coast of the State of California extending seaward 3 miles, which cloud was created by a decision of the United States Supreme Court; and

Whereas the State of California, its subdivisions and persons acting pursuant to its permission have spent enormous sums of money improving and developing the tide and submerged lands along the coast of California, which improvements and developments are in jeopardy unless the Congress enacts legislation to remove the cloud on the title to said lands created by the Supreme Court decision; and

Whereas the cloud created by the decision of the Supreme Court not only affects the investment, development and improvement already made on and to the tide and submerged lands off the coast of California, but it will prevent further investments in and development to and improvements of these tide and submerged lands off the coast of California, to the detriment of the people of the State of California and of the United States: Now, therefore, be it

Resolved, That the Board of Supervisors of the City and County of San Francisco does hereby respectfully urge the Congress of the United States to enact legislation to reaffirm California's unquestioned title to its tide and submerged lands; and, be it further

Resolved, That copies of this resolution be transmitted to Senators Knowland and Kuchel, Congressman Shelley, Congressman Mailliard, to the Committee on the Judiciary of the United States Senate, to the Committee on the Judiciary of the House of Representatives, and to the President-elect of the United States; and, be it further

Resolved, That a copy of this resolution be forwarded to the secretary of the Senate of the State of California; and, be it further

Resolved, That copies of this resolution be forwarded to the mayor for transmittal to our Washington legislative representative with directions that the latter use all his resources to effectuate the intent of his resolution.

I hereby certify that the foregoing resolution was adopted by the Board of Supervisors of the City and County of San Francisco at its meeting of January 12, 1953.

JOHN R. MCGRATH, *Clerk.*

Approved, January 14, 1953.

ELMER E. ROBINSON, *Mayor.*

January 19-1t

Mr. FOLEY. The next one is a letter and resolution from the American Municipal Association; the letter is dated February 19, 1953, and addressed to Mr. Reed, as chairman of the Committee on the Judiciary.

Mr. GRAHAM. Without objection it will be admitted in the record.

(The document is as follows:)

AMERICAN MUNICIPAL ASSOCIATION,
Washington, D. C., February 19, 1953.

Hon. CHAUNCEY W. REED,
Chairman, Committee on the Judiciary,
House of Representatives, Washington, D. C.

DEAR CONGRESSMAN REED: I am enclosing a policy statement and resolution expressing the opinion of the American Municipal Association on the tidelands

question. This association, through its direct membership and State leagues of municipalities, represents 12,000 cities in 42 States. The position explained in the accompanying statement has been reiterated several times and reflects our considered stand on this matter for many year.

The American Municipal Association urges the passage of legislation which would vest title to the marginal seas, commonly called tidelands, in the several States of our Union.

Yours sincerely,

RANDY HASKELL HAMILTON,
Director of Washington Office.

TIDELANDS

(1952) Whereas the several States, ther grantees, including many municipalities, port authorities and others, acting pursuant to authority granted by said States since July 4, 1776, or since the formation of said States and their admission to the Union, have exercised full powers of ownership and control of all lands beneath navigable waters within their respective boundaries and all natural resources, including fish and marine life, within such lands and waters, with the full acquiescence and approval of the Federal Government and in accordance with many pronouncements of the Supreme Court of the United States and decisions of the executive departments of the Federal Government that such lands and resources were vested in the respective States as an incident to State sovereignty; and the exercise of such powers of ownership and control has not in the past impaired or interfered with, and will not impair or interfere with, the exercise by the Federal Government of its constitutional powers in relation to said lands and navigable waters and to the control and regulation of commerce, navigation, national defense, and international relations; and

Whereas the several States, their grantees, including many municipalities, and public port authorities, acting pursuant to authority granted by said States, have expended enormous sums of money in improving and reclaiming said lands and in the construction of vast harbor, park, and recreational facilities thereon, in full reliance upon the validity of their titles; and

Whereas, in the cases of *United States* v. *California* (332 U. S. 19 (1947)), *United States* v. *Louisiana* (339 U. S. 699 (1950)), and *United States* v. *Texas* (339 U. S. 707 (1950)), the Supreme Court of the United States held that the Federal Government is possessed of "paramount rights in and full dominion and power over" the lands, minerals and other things underlying the so-called marginal sea and thereby made a distinction between said so-called marginal sea on the one hand and bays, ports, harbors, and other inland navigable waters on the other, and therein refused to apply the marginal sea rule of ownership which it has heretofore many times applied to bays, ports, harbors, and other inland waters, and in said cases held that the coastal States have no rights of ownership in the so-called marginal sea belt within their respective boundaries or the lands beneath it or reclaimed therefrom, or the natural resources in said waters and lands; and

Whereas for a period of 150 years prior to said decisions it had been judicially recognized by the courts and affirmed by executive departments of the Federal Government that the several States not only owned the tidelands and lands beneath bays, ports, harbors, and other inland navigable waters within their respective boundaries but also owned the lands beneath all navigable waters, including the so-called marginal sea belt, within their respective boundaries, whether inland or not, and that such State boundaries extended at least 3 miles seaward; and

Whereas the decisions of the Supreme Court of the United States rendered in said three cases, together with subsequent pending proceedings in said California case, place in jeopardy the ownership, use, development and control of said tidelands, and submerged lands, together with vast port and harbor improvements constructed thereon; and the theory of paramount powers announced by said Court as the basis for the decisions in said cases constitutes a most serious precedent for use by the Federal Government in the seizure of property rights without just compensation guaranteed by the provisions of the fifth amendment to the Federal Constitution; and

Whereas in said decisions the United States Supreme Court held that the Federal Government has paramount rights in and power over the marginal sea belt, without, however, holding that the Federal Government is the owner thereof; and said Court, in its decision in the California case, recognized that the

question of ownership and control of said submerged lands and natural resources therein is a legislative matter vested by the Constitution in the Congress of the United States, and it is desirable and in the public interest that the Congress of the United States shall exercise its constitutional powers in accordance with and not adversely to the heretofore recognized State ownership of such waters and the lands beneath them; and

Whereas this association has, by resolutions adopted at each annual convention over a period of years, supported and urged the Congress to enact legislation confirming vesting in the several States the title, ownership, and control of all lands beneath navigable waters within their respective boundaries; and

Whereas such legislation was adopted by an overwhelming majority vote of the Members of both the House and the Senate of the 82d Congress and vetoed by the President; now, therefore, be it

Resolved, That the American Municipal Association advocates and urges that the Congress of the United States, without delay, during the 83d Congress, adopt legislation similar to Senate Joint Resolution 20 (the Holland bill), adopted by the 82d Congress and vetoed by the President, whereby the United States shall recognize, confirm, establish and vest in the several States, their grantees and successors in interest, the title, ownership, and control of all lands beneath all navigable waters within the boundaries of such States and in and to all natural resources within such lands and waters, and approve and confirm the boundaries of the several coastal States as extending at least 3 geographical miles seaward of the coast line and outside inland waters, and the boundaries of the several States on the Great Lakes to extend to the international boundary of the United States; and be it further

Resolved, That this association oppose any legislation authorizing any Federal department or agency to grant leases or exercise any proprietary rights in or to such lands or waters or in or to any natural resources therein.

Resolutions in support of this position were adopted in 1948, 1949, 1950, and 1951.

Mr. FOLEY. The next one is a letter to Mr. Reed from Dr. Olin S. Proctor, together with some statements. The letter is dated February 20, 1953.

Mr. GRAHAM. Without objection, it is admitted.

(The document is as follows:)

LONG BEACH 12, CALIF., *February 20, 1953.*

Hon. CHAUNCY W. REED,
Chairman, Committee on the Judiciary,
House of Representatives, Washington, D. C.

HONORABLE SIR: Responsive to your letter of February 14, 1953:

For your convenience, whether Committee No. 1 holds hearings or not, I am sending you a copy of my statement to Senator Guy Cordon, acting chairman of submerged lands hearing.

Yours very truly,

Dr. O. S. PROCTOR.

LONG BEACH 12, CALIF., *February 19, 1953.*

Senator GUY CORDON,
Acting Chairman Submerged Lands Hearing,
Washington, D. C.

MR. CHAIRMAN: In response to telegram of today, I am pleased to submit the following statement:

The essential function of government is to respect and protect boundaries, property, and property rights, including priorities and personal rights.

I have just returned from Seal Beach, investigating the matter of oil development in the harbor offshore of Seal Beach. I saw the workings of the Monterey Oil Co., apparently in the middle of the east end of the harbor. I learned work is now suspended by court order in the suit of *Seal Beach* v. *Monterey Oil Co.* It is reported the United States District engineer and the State of California issued permits for this operation. In this connection, it is important to note that the United States district engineer on protests of city of Long Beach and Los Angeles refused me a permit to build a working wharf 3 miles south of Belmont pier. My application was dated August 20, 1930. This is outside

the harbor, adjacent to the breakwater and would have been a benefit to navigation as a lighthouse.

Now they issue permit to put a dangerous obstruction in the middle of the harbor on which many millions have been spent. It would be noted the whole area of southern California is a health and recreation park for the United States and other countries, and these facilities should not be impaired.

I have contended intelligent legislation could not be formulated without conception of a suitable plan to develop these resources consistent with conditions. After many years of consideration, I have concluded tunneling is the best approach to the problem. I have proposed islands should be adjacent to the breakwater to provide for sinking shafts 1 mile apart along the breakwater. From these shafts at depths of 100 to 225 feet tunnels would be extended north and south at suitable distances, one-half to 1 mile, upraise from lower level to upper level would be made and excavated to form a drilling station to accommodate 100 wells to develop, by slant drilling, the entire area. Note the distance, 125 feet, between levels is height of usual derrick (see p. 13 of enclosed booklet—note last paragraph, p. 12).

Access is a prime consideration in any operation. This double line of tunnels provides a circuit for ventilation and may be extended several miles. The presumption is that the States may use the tunnels to the 3 mile or boundry line and Federal Government, and beyond this line by a working agreement.

In this arrangement the upper tunnel may be just below the floor of the ocean and used for transportation, while the lower would accommodate oil development. Subways are urgently needed here now. I am working on a hydraulic-tunneling system especially adapted to this purpose. The water lines would be formed in bottom of concrete lining and left for oil transportation.

Yours very truly,

Dr. OLIN S. PROCTOR.

Mr. FOLEY. The next one is a letter and resolution from the National Institute of Municipal Law Officers. The letter is dated February 19, 1953.

Mr. GRAHAM. Without objection, it is admitted.

(The document is as follows:)

NATIONAL INSTITUTE OF MUNICIPAL LAW OFFICERS,
Washington, D. C., February 19, 1953.

Hon. CHAUNCEY W. REED,
Chairman, Committee on the Judiciary,
House Office Building, Washington 25, D. C.

DEAR MR. REED: I am enclosing herewith a copy of the resolution adopted by the National Institute of Municipal Law Officers giving our position on the submerged-lands legislation, and I request that this resolution be made a part of the record of your committee's hearings. Similar resolutions have been presented by NIMLO at the hearings previously held on tidelands legislation and we respectfully refer to our testimony there rather than repeat it here as our position has always been that the tidelands belong to the States and our municipalities who are grantees of State titles to such lands.

The National Institute of Municipal Law Officers is an organization composed of 755 of the larger municipalities located in every State, the District of Columbia, and in the Territories. We are operated by the attorneys of our member municipalities and supported entirely by public tax funds. Our interest is in removing the cloud upon the title to city-owned land created by the Supreme Court decisions on this subject.

Respectfully,

DAVID M. PROCTOR, *President.*

RESOLUTION NO. 8—TIDELANDS

Whereas the control of lands lying beneath tidal and navigable waters has been resolved against the States and political subdivisions thereof by the Supreme Court decision in the case of *United States* v. *California;* and

Whereas Federal legislative action appears to be the sole remedy which States and cities have to secure title to these tidelands upon which billions of dollars have been expended by such State and local governments: Now therefore be it

Resolved, That the National Institute of Municipal Law Officers urges the Congress of the United States to adopt legislation which will confirm the title to such lands in the States and their political subdivisions; and be it further

Resolved, That copies of this resolution be transmitted to the appropriate congressional committees.

Mr. FOLEY. A letter from the San Francisco Chamber of Commerce, dated February 17, 1953.

Mr. GRAHAM. Without objection it is admitted.

(The letter is as follows:)

SAN FRANCISCO CHAMBER OF COMMERCE,
San Francisco, February 17, 1953.

Subject: Title to submerged and reclaimed lands within State boundaries.

The COMMITTEE ON THE JUDICIARY,
House of Representatives, Washington, D. C.

GENTLEMEN: Your honorable committee is currently holding hearings on several bills and joint resolutions pertaining to this matter, and we want to submit for the record our expression of unqualified support of any legislation which would definitely and finally vest in the respective States and their grantees or successors in interest, title to and ownership of all lands beneath navigable waters within State boundaries, and all lands formerly beneath navigable waters which have been filled or reclaimed, including all natural resources in such lands and waters.

We are equally opposed to any legislation which would, in any manner, confirm or recognize any title of the United States in such lands, except those that were lawfully acquired for defense or navigational purposes, and to any legislation which would postpone settlement of the title question under the guise of need for further investigation.

We are concerned not only with the question of title and paramount rights in the marginal sea area, but even more so with the status of reclaimed and submerged lands in harbors, bays, and rivers, for the reason that the Supreme Court rejected a stipulation that the United States renounces and disclaims paramount power over the latter class of lands (332 U. S. 804), following *U. S. v. California* (332 U. S. 19). Involved are San Francisco's entire developed waterfront, the city's airport, railroad terminals, industrial areas and other developments, all located on reclaimed land. It is important that all doubt concerning title to these properties be resolved quickly through an unequivocable renunciation of any claim on the part of the United States.

It is therefore respectfully urged that legislation to accomplish the above-stated purposes be favorably reported by the committee at an early date and that it be progressed through the House as fast as possible.

Yours very truly,

J. W. MAILLIARD III, *President.*

Mr. FOLEY. That is all to date, Mr. Chairman.

Mr. HILLINGS. Mr. Chairman, I am a member of another subcommittee which is now holding hearings. I would be happy to remain at your pleasure, but I wondered what the situation might be if I should attend the other committee meeting?

Mr. GRAHAM. We have established a quorum. Mr. Walter was here, and Miss Thompson, you, and myself. We can show a quorum was present, and unless something unexpectedly would occur, we can probably excuse you.

I am likewise on another subcommittee this morning where I want to appear, but I have given a proxy. But you go ahead, because your presence is needed there, and we have established a quorum.

Mr. HILLINGS. You are going to hear from Mr. Brooks and Mr. Perkins, and then you will adjourn?

Mr. GRAHAM. Yes. For our future course, tomorrow we will meet again at 10 o'clock in the morning in this room, and it is my under-

standing that up to this time when we conclude today, we will have heard all of the proponents of the bill.

Mr. FOLEY. Except two who will appear tomorrow.

Mr. GRAHAM. Then in addition to that we will hear those in opposition, and our information is that the representatives of the National Farmers Union, representatives of the Grange, representatives of the Cooperative League, representatives of the CIO, and the Friends Committee on National Legislation will appear. Is that correct?

Mr. FOLEY. That is correct.

Mr. GRAHAM. And they will be heard tomorrow morning.

Mr. FOLEY. Yes, sir.

Mr. GRAHAM. They have all been notified?

Mr. FOLEY. Yes, sir.

Mr. GRAHAM. In the event no others appear or there are no other requests, we will conclude our hearings as of tomorrow and get down to the reading and inspection of the bills.

Mr. FOLEY. May I say this, Mr. Graham. We have contacted each sponsor and given him the opportunity of testifying or submitting a statement. Many members have agreed to submit statements in lieu of oral testimony.

Mr. HILLINGS. How long will the record be held open for the submission of statements?

Mr. FOLEY. We gave them 10 days so it should be up to and including the 11th of this month.

Mr. GRAHAM. That will give them ample time to get their statements in. Mr. Wilson, you stated you wanted to make a statement on behalf of your fellow Texans.

Mr. WILSON. Yes; several have told me that they would like to file written statements. I do not think any care to appear in person, but they want their views on the record in this hearing, and I would like for them to be able to do that.

Mr. GRAHAM. At this point, Mr. Reporter, note for the record that Mr. Hillings is excused for the purpose of attending another subcommittee hearing, a quorum having been established.

Mr. WILLIS. Mr. Graham, the assistant attorney general of Louisiana is here today. He does not propose to testify, but he is in the course of preparing a statement.

Mr. GRAHAM. We will be glad to accept it when it is submitted.

Mr. WILLIS. And he would have until when?

Mr. GRAHAM. Up to and including March 11.

Mr. WILLIS. I think, Mr. Chairman, that Congressman T. A. Thompson of Louisiana just came in. He does not care to make a statement orally but may file one before the record is closed.

Mr. GRAHAM. Yes. We have been notified prior to this that he did not care to appear and testify.

Mr. Willis desires to make an additional statement.

Mr. WILLIS. Mr. Chairman, so you can follow me, this would be applicable to all bills pending before this committee.

Mr. GRAHAM. I have before me the Hillings bill.

Mr. WILLIS. This that I am talking about is in all the bills. The very first section of section 2 states:

The term "lands beneath navigable waters" includes (1) all lands within the boundaries of each of the respective States which were covered by waters navi-

gable under the laws of the United States at the time such State became a member of the Union.

Now, Mr. Chairman, this is a restatement of the law. This sentence refers now to rivers and strictly inland waters. As I say, this sentence restates the law and jurisprudence. Under that jurisprudence all navigable waters such as the Mississippi River became the property of the States upon their admission. So this bill proceeds to quitclaim out of superabundance of precaution navigable waters at the time of the admission of the several States.

If you will turn over to subsection (e) of that same section 2, you will see this language:

The term "lands beneath navigable waters" shall not include the beds of streams in lands now or heretofore constituting a part of the public lands of the United States if—

and that is the word—

such streams were not meandered in connection with the public survey of such lands under the laws of the United States.

In other words, that was an exception to the first transfer of all navigable streams, meaning that if streams have not been meandered, then they are not transferred. What was the reason for that clause? I studied very carefully with the aid of the present lawyers of the Department of the Interior the history of that provision. That was inserted in the bill to protect some folks, especially in Idaho and the Midwestern States, who derived patents from the United States to these unmeandered claims. That is the reason for that. The history of the hearings proved that conclusively.

But what is the result? The result is that in the first place those who hold those patents are not specifically protected by this language, and there we have an exception to the proposition that unmeandered streams are not transferred.

Now, this does not affect Louisiana or any particular State, Mr. Chairman, but I caution you that the net result of this language is that unmeandered streams are not transferred. Now, the jurisprudence is, and I have cases—Mr. Foley and I dug them up—that whether streams are meandered or unmeandered under the jurisprudence, if they are navigable in fact, the title is vested in the States. With this reservation or this nontransfer of unmeandered streams we would be creating chaos, unless we do what the intent of the author of that section intended, namely, that we should add at the end of that clause the following words, "if the title of the beds of such streams was lawfully patented or conveyed by the United States or any State to any person," which would mean—and I conclude—that the first sentence would control, that all navigable streams would be transferred, but as to unmeandered streams, where patents have been issued, those patent holders will be protected. That is the little amendment I said I hope you will give most serious consideration to, because you have myriads of streams involved, title to which would be in chaos and would not be transferred, and what we would be doing to the jurisprudence which is thoroughly established. So what I want to do is to protect the title of those who have patents, and then carry out the jurisprudence.

Mr. GRAHAM. Thank you for your contribution. I am sure it will be given full consideration.

Now, Mr. Perkins is submitting House Joint Resolution 89, a joint resolution.

STATEMENT OF HON. CARL D. PERKINS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF KENTUCKY

Mr. PERKINS. Mr. Chairman and members of the committee, I appear here this morning in behalf of House Joint Resolution 89 which provides that certain mineral leases issued by the States covering the submerged lands of the Continental Shelf shall remain in force and effect, and that others shall be issued by the Secretary of the Interior, and that the royalties from all such leases shall be used for grants in aid of primary, secondary, and higher education.

The Supreme Court of the United States on June 23, 1947, rendered an opinion in the case of *United States* v. *California* and on June 5, 1950, rendered opinions in the cases of *United States* v. *Louisiana* and *United States* v. *Texas*, holding that the United States has paramount rights in, and full dominion and power over, the submerged lands of the Continental Shelf adjacent to the shores of California, Louisiana, and Texas, and that the respective States do not own the submerged lands of the Continental Shelf within their boundaries.

It seems to me that perhaps the foremost question this committee should be considering, in view of the Supreme Court decisions, is how the Federal Government can keep this mineral and use it for the national interest instead of trying to decide the type of a quitclaim deed we will give to the States. There cannot be any question about who owns the offshore mineral rights from the low-water mark extending seaward in any of the three cases involved. The highest court in the land has laid this question to rest. In view of our great need for these funds, I cannot see where Congress can afford to give away an asset belonging to all of the people of all of the States.

I will not take time here this morning to discuss the conditions that exist in our schools throughout the Nation. I know that you gentlemen are well acquainted with the dilapidated condition of many of our school buildings throughout the country and the deteriorating conditions that exist in many of the Southern States insofar as maintenance and operation of the school plants are concerned. Practically all of these Southern States are spending a greater percentage of their per capita income than the wealthier States for elementary and secondary education. I thought perhaps I would take this opportunity to point out a few of the facts that exist in my home State of Kentucky.

I wired the director of certification to search out this information for me and yesterday my secretary took down these facts over the telephone.

Mr. GRAHAM. In the event you have not secured all of the information that you desire, you have until February 11 to submit it.

Mr. PERKINS. Thank you, Mr. Chairman.

At the present time in Kentucky we have 682,300 schoolchildren between the ages of 6 and 18. Those students are being taught by 19,940 teachers. Of this number, we have 2,700 emergency teachers—in other words, unlicenced. In addition to the 2,700 we have 800 emergency teachers for a day or week. This indicates we not only lack a supply of regular teachers, but every time we need a substitute, we

have to use an emergency teacher as a substitute. The average salary is $2,260 a year. This presents a range from $736 to $5,100. About two-thirds of the average number of teachers are employed in the elementary schools.

The total college enrollment in Kentucky is 40,000. Last year we prepared to teach in Kentucky in our colleges at the elementary level, 923 teachers; at the secondary level, 1,080, a total of 2,003. New teachers who entered the teaching profession in Kentucky for the first time last year at the elementary level numbered 851; at the secondary level, 483; a total of 1,334. In other words, we trained 2,003 teachers, but only 1,334 stayed in Kentucky. Naturally, because of the low salary they obtained other employment in the teaching professions in other States.

Of the above number of teachers, 108 of them have no college hours at all, 1,651 have 2 years of college or less, and 8,379 have less than a degree. This means that 42 percent of our teachers in Kentucky have less than a college degree. This information was furnished to me by Dr. Adron Doran, director of certification, Department of Education, Frankfort, Ky.

In 1947 we had a birth rate in Kentucky of 79,132. Those children will enter school in 1953. In 1948 we had a birth rate of 76,698. Those children will enter school in 1954.

The total income in Kentucky in 1951 as estimated by the Bureau of Business Research, University of Kentucky, amounted to $3,088,710,000. The total expenditure for education, elementary and secondary, was $81 million, which indicates that we are spending 2.6 percent of our total income for education.

According to a statement prepared by the National Educational Association Research Division in November 1952, California spent 2.2 percent in 1948 of her per capita income for elementary and secondary education, and for the school year 1950–51, 2 percent. Texas, for those corresponding years, spent 2 percent and 2.2 percent. Connecticut for the year 1950–51 was expending only 1.7 percent of her per capita income for elementary and secondary education; Delaware, 1.8 percent; Maryland, 1.6 percent; Massachusetts, 1.6 percent; New Jersey, 1.9 percent; New York 1.9 percent.

A survey that was provided for by the Congress and made during the year 1951 in Kentucky disclosed that we need to spend $157 million for new construction. This new construction was to include buildings to relieve overcrowded conditions, to house anticipated increased enrollment, and to replace obsolete buildings. The obsolete buildings are the 1-, 2-, and 3-teacher schools, and 81 percent of our schools are 1 and 2 teachers. A good many of these buildings are dilapidated and the children have difficulty keeping warm in the wintertime. Also, many of them are firetraps.

Now, in traveling throughout the district that I am privileged to represent, if the people on this committee, if you gentlemen and the gentlewoman should actually see the conditions of some of those school buildings, I know you would regret to admit that school children are being taught in those unfit, unsuitable buildings that have holes in the roof and other conditions. It is very discouraging.

Another alarming fact, that from July 1950 to January 1, 1953, there have been examined for military service in the United States

2,898,459 young men. Of this number, 422,450 failed the mental examination. In other words, 14.6 percent failed. In Kentucky, from the beginning of Korea to January 1, 1953, 72,055 young men have been examined for military service. Of this number, 17,969 failed the mental examination, or a percentage of 24.9, practically one-fourth. Now the percentage runs along that line in the States where we do not have equal educational opportunities, similar to the percentage in Kentucky, where we are lagging far behind other wealthier States.

It seems to me that where conditions like these exist in different corners of these United States, this Congress should take some action. We now have the opportunity to do something about these conditions throughout the Nation. Here we have some valuable property belonging to all the people. Let us not give it away. Let us give it to the schools. Perhaps this will be our only opportunity, in view of the increased tax load the people of this Nation are carrying, to do something for our schools without raising the taxpayers' tax bills one penny.

You gentlemen are all lawyers on this committee, and we all know this issue has been clearly decided by the courts.

I know there has been considerable misunderstanding and confusion existing. Much of it has been brought on by the press. Only the other day I read in the Washington Post where Dr. Gallup conducted a poll, and the first question he asked was:

> Have you heard or read anything about the tidelands oil issue?

Then he followed up with this question:

> Under the ocean off the shores of several States are lands which contain oil. Do you think this land should be the property of the Federal Government or of those States?

The only logical inference from the first question as stated by Dr. Gallup is that tidelands mean lands covered by the flow and ebb of the tides. The Federal Government makes no such claim to any of this property. The Supreme Court decided that the tidelands belong to the States. I feel that if Dr. Gallup had clearly stated the question and the location of the property involved, his percentage figure would have varied considerably. It is only from the low-water mark seaward that concerns the Congress. Our Government is making no claim on the tidelands, because the tidelands belong to the States.

Mr. GRAHAM. May I interrupt, Mr. Perkins, please?

Mr. PERKINS. Yes, sir.

Mr. GRAHAM. At any point did he mention the submerged lands, or was it all a reference to tidelands?

Mr. PERKINS. Here is the way he put the question:

> To find out where the voters stand on the controversy today, reporters asked two questions in a coast-to-coast survey. The first was:
>
> "Have you heard or read anything about the 'tidelands oil' issue?"
>
> A total of 47 percent said they had, while 53 percent had not. In a similar study the institute found 39 percent who had heard or read about the dispute.
>
> Each person in the survey was then asked:
>
> "Under the ocean off the shores of several States are lands which contain oil. Do you think this land should be the property of the Federal Government or of those States?"
>
> Here is the division of opinion today, compared with 7 months ago, among those persons who had previously heard or read about the controversy:

Federal Government, 42 percent in July 1952; today 40 percent. This is February 24, 1953.

States, 49 percent, July 1952; 40 percent today.

No opinion, 9 percent; and today, no opinion, 12 percent.

Among all voters questioned in the survey, including those who had not previously followed the issue, the vote on Federal versus State control follows a similar pattern, with States' rights favored, as follows: Federal Government, 33 percent; States, 45 percent; no opinion, 22 percent.

Among the rank and file of voters in both parties, the weight of opinion is in favor of State control as shown in the following table:

Federal Government, 26 percent Republican; 36 percent Democrat; 37 percent independent.

States, 53 percent Republican, 43 percent Democrat, 38 percent independent.

No opinion, 21 percent Republican, 21 percent Democrat, 25 percent independent.

There is no place in the statement where I see the words "submerged lands" used. So I just point that out to show how misleading this question has been presented to the people throughout the Nation, and the press in many instances unintentionally have not distinguished between tidelands and offshore oil. I think for that reason it has been very misleading.

We have all the precedents we need to make available the royalties from this mineral for the benefit of the Nation as a whole for educational purposes. The Congress of the Confederation set aside public lands for school purposes. All up through the years the Congress set aside public lands for educational purposes. Income for the schools from the public lands was obtained in several ways—principally from sale or rental of the lands or from investment of funds obtained from the sale of them. Some of our finest universities, such as William and Mary, Yale, and Princeton, came into existence through the foresight of our forefathers in endowing them with public lands or the income from such lands.

In all instances where the Congress has supported Federal aid to education in the past, such investments have paid high dividends in the form of greater national security and progress. The offshore oil lands for educational purposes would likewise pay high dividends.

Secretary of State Jefferson in a note to the British Minister in 1793 pointed to the nebulous character of a nation's assertions of territorial rights in the marginal belt, and put forward the first official American claim for a 3-mile zone which has since won general international acceptance. (Reprinted in H. Ex. Doc. No. 324, 42d Cong. 2d sess. (1872), 553, 554. Quoted from p. 33, *United States* v. *California*, United States Reports 332.)

I have with me the letter that Jefferson wrote, which I want to make a part of the record, a photostatic copy, procured from the Library of Congress on this date.

To Edmond C. Genet

Germantown, *November 8, 1793.*

Sir.—I have now to acknowledge and answer your letter of September the 13th, wherein you desire that we may define the extent of the line of territorial protection on the coasts of the United States, observing that governments and jurisconsults have different views on this subject.

It is certain that, therefore, they have been much divided in opinion, as to the distance from their sea coast to which they might reasonably claim a right of prohibiting the commitment of hostilities. The greatest distance to which any respectable assent among nations has been at any time given, has

Miss THOMPSON. Mr. Perkins, I wonder if you can give us the total amount of Federal aid to education?

Mr. PERKINS. I cannot right offhand. That runs into the billions for this reason. Considering all of the money spent in the federally impacted areas throughout the country, and all the money expended for the education of our soldiers after they have been inducted into military service, and after their discharge under the GI bills, and the construction programs that have been or that are now being carried on in and around the defense areas throughout the Nation, and considering all the revenue that has been derived from these land grants and so forth, that would require some considerable study which would be impossible for me to answer at this time, Miss Thompson. But considerable sums of money have been spent for Federal aid to education, considering the amount that has been spent by the military forces and Veterans' Administration. That is the reason I say it would run into the billions.

Miss THOMPSON. Mr. Foley, do you have that figure?

Mr. FOLEY. As of last year, current revenue from land grants, both State and Federal, ran about $23 million a year, and the estimated Federal aid to education, as to need, runs about $300 million annually.

Mr. PERKINS. You are not considering the aspects of Federal aid that I mentioned here before the committee at all. The $300 million that you have in mind there is an estimated need for paying the school teachers additional money and providing facilities for a minimum foundation program throughout the Nation, and not taking into consideration the construction money that has been spent by the military forces or the Air Force or any of those.

Miss THOMPSON. Which, as you say, will run into the billions.

Mr. PERKINS. That is my judgment.

Miss THOMPSON. Do you have any idea what the income from the submerged lands is?

Mr. PERKINS. I do not. I think that is impossible for anyone to give you an acurate figure along that line. I come from an oil- and gas-producing territory, and I have seen good wells in a good territory and I have seen within 200 or 300 yards of this good well in good territory—I will say within a quarter of a mile—turn out to be almost a dry hole. It is hard to estimate. Of course, this territory should be explored and developed orderly from the standpoint of national defense. But as a general rule in proven territory the majority of the wells come in good. But in many instances, I have seen dry holes come in in proven territory in my home county.

Miss THOMPSON. Of course, we are interested in Texas, Louisiana, and California. Do you have the latest figures on those, Mr. Foley, of the income?

Mr. FOLEY. The income from rentals, leases, and royalties on these lands of Texas, Louisiana, and California have been estimated to have been collected as approximately $110 million.

Mr. PERKINS. But as I understand from reading the Supreme Court decisions here—I think that is the best authority—the issue did not present itself as to the public until about 1938, when the oil was discovered from the low-water mark seaward off the coast of California, and I think perhaps in Louisiana along about that time, and very little of this territory has been explored. For that reason no one can

correctly determine the value of this property. But we know that it is just common knowledge that this property has tremendous value.

I might give you a little illustration or some background. My home county, I noticed a few days ago, is estimated to be one of the poorest counties in the Commonwealth of Kentucky. If the local citizens were the owners of that mineral, we would be one of the wealthiest counties in the Commonwealth of Kentucky. But unfortunately our forefathers in the eighties, nineties, maybe 1901, 1902, and 1903—and I have done considerable abstracting so I know something about the titles—sold a considerable portion of those mineral rights for 5 and 10 and 25 cents an acre, and now those mineral rights are owned by people in Chicago, Philadelphia, Pittsburgh, Cleveland, and of course they are being developed. But the majority of those mineral rights are outlying and will not be developed from the standpoint of the good coal existing there maybe for 50 or 100 years. Outlying minerals, of course, the court of appeals has held, do not have too much value. So we are caught in that predicament. In many of these same sales the oil and gas went along with the mineral, I might use that word, but the courts have held that mineral includes oil and gas.

I know we have many wells throughout eastern Kentucky and, in my home county, 20 years ago in one section of Knott County you could buy oil and gas for practically nothing. We thought it would never be any good for development from the standpoint of oil and gas, but it has turned out to be excellent territory for oil and gas.

At that time they had been drilling in eastern Kentucky, I would say, for 10 or 15 years or longer, and it is just one of these things that you cannot tell about. It is going to take time to explore these submerged lands, to see just what they prove out to be. But we know they will prove out to be very valuable.

Miss THOMPSON. I have some more questions, but I will defer to Mr. Wilson, because I know he has some things on his mind.

Mr. WILSON. Did you indicate that Kentucky should reserve all the mineral rights to all the land it originally owned and the private owners even under private property should not drill or lease oil?

Mr. PERKINS. I do not advocate any such thing, and did not make any such statement.

Mr. WILSON. I took from what you said that if the State had held onto the oil and mineral rights——

Mr. PERKINS. The State did not own the oil and gas rights that I mentioned. I mentioned the properties that belonged to the citizens in my county in the 1880's, 1890's, and the early 1900's.

Mr. WILSON. Private developers developed that territory or nobody would yet know there was any oil there?

Mr. PERKINS. Private developers did develop that territory.

Mr. WILSON. You made the statement a moment ago that we give this territory all away to the States, and then buy the oil back. Would it not be necessary if the Federal Government gets all this that they lease it and give seven-eighths of it to the developer? Is that not the common form for leases?

Mr. PERKINS. I have had a little experience with oil and gas, in fact I own a very little interest in oil and gas development myself, and it has been the common practice and the general rule that the parties that drill the well on a lease that belongs to another party, that the lessor

will receive one-eighth of the oil, or a certain stimulated amount estimated to be equivalent to one-eighth of the oil.

Mr. WILSON. Which is the royalty.

Mr. PERKINS. Yes.

Mr. WILSON. And the lease carries with it seven-eighths of the oil. Therefore, if the Federal Government owned it all and they leased it to operators to drill, they would have to buy the oil back.

Mr. PERKINS. No.

Mr. WILSON. Why would they not?

Mr. PERKINS. I disagree with your interpretation of that. The bill that I introduced here provides that to any person who leases we pay a certain percent and the leases would be let out on competitive bidding.

Mr. WILSON. Very true. The same thing is done in Texas.

Mr. PERKINS. But we set the limit which shall not exceed 12 percent.

Mr. WILSON. But in any case, the operator or developer gets seven-eighths of the oil that comes out of the ground.

Mr. PERKINS. That is true as a general rule in private drilling. In these instances in many cases, I feel that the Government will be able to get one-half or more in proven territory, where the drilling cost will be light on account of shallow depth.

Mr. WILSON. Private drillers would have to do this. You do not advocate that the Government go into the drilling business?

Mr. PERKINS. I do not. I see nothing wrong with the Government or the Navy exploring the territory with Government money.

Mr. WILSON. Private drillers would have to drill it and they would get 7 barrels out of 8. If the Federal Government backed a tanker up there and took it and sold it on the open market, the Federal Government would have to bid against the other bidders for the oil.

Mr. PERKINS. Not necessarily.

Mr. WILSON. If they took one-eighth of the revenue—that is all they would be entitled to—that would be just 1 barrel in 8.

Mr. PERKINS. Of course, if you just take it on a one-eighth basis, in my judgment that would still run into the billions of dollars for income for the Federal Government.

Mr. WILSON. Of course, there has been a lot of guessing about what this territory would produce. You know that the companies who have had leases from the various States have spent some $275 million drilling now; do you not?

Mr. PERKINS. It has been a considerable sum.

Mr. WILSON. And the States have gotten but a little over $100 million back. That is less than the money spent.

Mr. PERKINS. I do not think that is a fair statement.

Mr. WILSON. I will ask you if you think this is fair. The record shows that Texas has gotten $8 million over a period of 20 years. That is bonuses, leases, rentals, everything that is paid into the school fund. The Texas school fund gets all the money that comes from the offshore leasing in Texas. Now, they have gotten $8 million. Let us divide that among 48 States, and we get about $160,000 per State of that $8 million if Texas were required to account for the $8 million they have got. That is $160,000 for each State in the Union. That would not contribute materially to building new schools and hiring new schoolteachers.

Mr. PERKINS. Here is the reason I think your statement is not correct. During the past 40 or 50 years Texas has been opening up new fields within its own inland borders on dry land.

Mr. WILSON. Constantly.

Mr. PERKINS. All the way along, constantly and continuously, and throughout Texas today new fields are just now proving themselves on dry land, and very little exploration has been made of this offshore oil off the coast of Texas because it has not been necessary. The people who are in the drilling business, as long as they are getting along well and making ample money and have access to proven territory, why should they go offshore and explore? This is something new in Texas, and this has only been explored to a limited degree. For that reason, I say that your estimate would not be in accordance with the proven facts.

Mr. WILSON. I disagree, of course. Now, you believe that the Federal Government ought to keep its treaties, do you not?

Mr. PERKINS. I certainly do.

Mr. WILSON. When they are written in plain, unadulterated language. Have you read the annexation resolution by the Congress when Texas was admitted into the Union?

Mr. PERKINS. I have read the Supreme Court decision thoroughly, and I think that is the best evidence. I want to answer you on that, too.

Mr. WILSON. I want you to answer me if you can.

Mr. PERKINS. The case is reported in 339 United States Reports, and on page 714 the Texas case, the joint resolution annexing Texas provided in part:

> Said State when admitted into the Union after ceding to the United State all public edifices, fortifications, parks, ports and harbors, navy and navy yards, docks, magazines, arms, armaments, and all other property and means pertaining to the public defense belonging to said Republic of Texas.

Mr. WILSON. Now read the rest of it.

Mr. PERKINS. All right. The latter part where it is public lands. But I cannot think of anything more appropriate to maintaining the public defense than these submerged oil lands, and that is what the court holds.

Mr. WILSON. They became very appropriate when they became worth a lot of money. Now, read a little further after where you read.

Mr. PERKINS. All right, and then we will discuss the decision.

Mr. WILSON. All right.

Mr. PERKINS (reading):

> Then it is agreed that Texas shall retain all the public lands, debts, taxes and dues of every kind which may belong or be due and owing said Republic, and shall also retain all the vacant and unappropriated lands lying within its limits to be applied to the payment of the debts and liabilities of said Republic of Texas and the residue of said lands after discharging said debts and liabilities to be disposed of as said State may direct. But in no event are said debts and liabilities to become a charge upon the Government of the United States.

Mr. WILSON. At that time nobody knew there was any oil out there. Therefore, they were willing for Texas to have it providing they would pay their $10,000,000 in debts.

Mr. PERKINS. No.

Mr. WILSON. After that time they found there might be a little oil back there and a lot of people want to go back on it.

Mr. PERKINS. I agree with with the Supreme Court in striking your argument down.

Mr. WILSON. I do not think they ever touched top, side, or bottom of the facts or the law myself.

Mr. PERKINS. I disagree with you and I think the opinion is perfectly clear on every point you have raised.

Mr. WILSON. Do you not think, as a lawyer, that specific language in a contract should supersede and take the place of the general term of equal footing?

Mr. PERKINS. I believe in all countries keeping their treaties and all governments keeping their contracts, but in this instance, Texas was admitted to the Union on an equal footing with all the other States, and as a result the Federal Government assumed the national responsibilities, the offshore territories became the national concern of the Federal Government after Texas was admitted to the Union. We were interested in maintaining the peace of the Nation, maintaining the peace for Texas, and no one else can do these things, other than the Government of the United States. This submerged oil, and the oil that has recently become an issue as a result of the development of the submerged lands clearly pertains to the public defense of this country.

Mr. WILSON. Of course, when you talk about the public defense of this country, you are talking about the water surface, and the right to control navigation and the right to move its Navy or anything else it wanted to do for the purpose of protecting the Nation. That has nothing to do with the floor of the ocean, does it?

Mr. PERKINS. The Federal Government only claims the right to be sovereign in this field from the standpoint of national defense, national concern, and any inconsistent acts with this sovereignty have been struck down by the Supreme Court of the United States.

Mr. WILSON. All these bills, Mr. Perkins, I might say—I think I am right about this, I have not read them all, but I think most are patterned after the Holland bill, which is titles 1 and 2 of the original Walter bill—protect the Federal Government in the movement of its Navy and the regulation of commerce and navigation. There is no question about that. Title is settled in the Government to the water surface rights to that extent, or as far as they want to go. Could not the Federal Government, if these lands were developed by private contractors, which they would have to be developed by the Federal Government the same way—probably the same leaser, there would be no difference in the leases because the leases are confirmed, and if they sell new leases the same companies would probably buy them and probably pay less for them on the Federal Government level than to the States under the Federal Government Leasing Act of 50 cents an acre.

Mr. PERKINS. I think better concessions will be obtained from the States, and I think that is the main reason for this fight to be carried on.

Mr. WILSON. You are wrong. Texas has gotten as high as $15 or $20 an acre, and in some instances, even more, whereas the Federal Leasing Act provides that 50 cents an acre is the price. And any man that puts up the 50 cents an acre gets the lease if he comes first.

Mr. PERKINS. I think we have this precedent where oil and gas has been developed on the public lands throughout the Nation. I have

not run this down, but I heard this statement made on the floor or read it somewhere, that we have as a matter of policy given the States 37½ percent. I think that is on the inland lands.

Mr. WILSON. That is right.

Mr. PERKINS. Of course, that is where the precedent is set for the oil-for-education amendment introduced by Senator Hill. I imagine that is the reason he mentions 37½ percent of the marginal-sea royalties that the States would get.

Mr. WILSON. We have no general Federal aid in this country. As you stated a moment ago, it is for some particular purpose. Most of it is because of the fact that the Federal Government for defense, either war plants or Army installations where they have loaded school districts down with thousands of pupils, has gone in and aided those districts in trying to meet that bad situation.

Mr. PERKINS. That is Federal aid.

Mr. WILSON. That is not general Federal aid, is it?

Mr. PERKINS. That is Federal aid. The only difference is that we have the same conditions existing in the poorer States. For instance, take several of the counties in my district. I want to cite my home county. The mineral and the profits from much of the mineral, the income taxes are paid in other States from this coal, Illinois, Ohio, and so forth, and the Federal tax base has been broadened to such an extent that the States do not have the tax base, and cannot afford to go higher, and in view of the fact that these inequalities exist, we should have some equalizing agent, and the only party that can do that is the Federal Government.

Mr. WILSON. Do you not think right at that point a better plan would be to retract the base of the Federal tax and let the States preempt some fields of taxation now used by the Federal Government?

Mr. PERKINS. If we had access to the tax base, then you would have something there. I would agree to that.

Mr. WILSON. I say that is what is causing the lack of funds in the States.

Mr. PERKINS. I will agree with that. But I want to make this point clear. Conceding the fact that it is the primary responsibility of the States and the local governments to maintain satisfactory elementary and secondary schools for the children, nevertheless we find today conditions do not exist the same as they did in the days of our forefathers. We have lost the tax base that we have just been speaking about and today we are all more or less one community. Conditions have changed entirely along that line.

Mr. WILSON. I am in favor of retracting the Federal tax base, and withdrawing it to a reasonable extent so that the States and localities can increase theirs.

Mr. PERKINS. I want to make my position clear. I am in favor of Federal aid to education for elementary and secondary schools as conditions exist today, and I think we are derelict in our duty when we do not do something about the inequities that exist.

Mr. WILSON. I may say that I am against general Federal aid, first, last, and all the time to schools except where conditions are created by the Federal Government where I think they have responsibilities to aid in those particular cases where reasons can be shown for them.

Miss THOMPSON. I agree with you, Mr. Wilson.

Mr. WILSON. I think that is all.

Mr. GRAHAM. The court will reserve its decision.

Mr. PERKINS. I see the majority of the committee are against my views along this line.

Mr. GRAHAM. As I explained, two members of the committee, Mr. Hillings and Mr. Walter, have both been called away in order to complete quorums. But they have been here and you will have the right and privilege to submit your statement. If you want to amplify it, you may do so, and we will receive that until the 11th.

Mr. PERKINS. Mr. Chariman, I ask unanimous consent to revise and extend my remarks.

Mr. GRAHAM. You have it, and for the information of those present, tomorrow we will continue the hearings in this room at 10 o'clock, at which time we will hear those who are largely in opposition.

Mr. PERKINS. I would like to answer the question of the gentleman of a few moments ago. I did not answer your question in connection with the 3-mile limit.

The 3-mile rule is but a recognition of the necessity that a government next to the sea must be able to protect itself from dangers incident to its location. This is what was stated by the Supreme Court. [Reading:]

> It must have powers of dominion and regulation in the interest of its revenues, its health and the security of its people from wars waged on or too near its coasts, and insofar as the Nation asserts its rights under international law whatever of value may be discovered in the seas next to its shore and within its productive belt will most naturally be appropriated for its use. But whatever any nation does in the open sea which detracts from its common usefulness to nations or which another nation may charge detracts from it is a question for consideration among nations as such and not separate governmental units.

Mr. WILSON. That is the Supreme Court decision you are reading from?

Mr. PERKINS. Yes, page 718.

Mr. FOLEY. Mr. Reed, the chairman of the Judiciary Committee, wishes to insert House Joint Resolution No. 25, adopted on February 17, 1953, by the House and concurred in by the Senate of the State of Illinois.

HOUSE JOINT RESOLUTION NO. 25

Whereas the State of Illinois has within its boundaries on Lake Michigan 976,640 acres of submerged lands which have been owned and claimed by the State and its grantees for over 100 years, and the State, its political subdivisions and grantees have expended millions of dollars in improvements along the shores of Lake Michigan on lands formerly covered by the waters of Lake Michigan; and

Whereas the Supreme Court of the United States, in the case of *Illinois Central R. R. Co. v. State of Illinois* (146 U. S. 387), held the Great Lakes to be "open seas" and that Illinois ownership of that portion of Lake Michigan within its boundaries rested upon the same rule of law as "lands under tidewaters on the borders of the sea"; and

Whereas State ownership of lands beneath the waters within the seaward boundaries of the State has been challenged and clouded by Federal officials in recent years, all of which constitutes a threat against the State of Illinois, its political subdivisions, and grantees in connection with its ownership of the above-mentioned lands: Therefore be it

Resolved by the House of Representatives of the 68th General Assembly of the State of Illinois, the Senate concurring herein, That the Congress of the United States is hereby petitioned to enact legislation at the earliest possible date which would confirm and recognize in this State and its political sub-

divisions, its and their ownership and full rights in all lands beneath navigable waters within its boundaries, subject only to necessary Federal regulations in connection with international relationships, navigation, and defense; and be it further

Resolved, That a copy of this resolution be sent by the secretary of state to the President, the Vice President, Senator Paul H. Douglas, Senator Everett M. Dirksen, and to each member of the Illinois delegation in the House of Representatives of the Congress.

Adopted by the house, February 17, 1953.

WARREN I. WOOD,
Speaker, House of Representatives.

FRED W. RUEGG,
Clerk, House of Representatives.

Concurred in by the senate, February 17, 1953.

JOHN WM. CHAPMAN,
President of the Senate.

EDWARD H. ALEXANDER,
Secretary of the Senate.

Mr. GRAHAM. All right. The committee now stands adjourned until 10 o'clock tomorrow morning, in this room.

(Thereupon, at 11:50 a. m., a recess was taken until Thursday, March 5, 1953, at 10 a. m.)

SUBMERGED LANDS LEGISLATION

THURSDAY, MARCH 5, 1953

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE NO. 1 OF THE
COMMITTEE ON THE JUDICIARY,
Washington, D. C.

Subcommittee No. 1 of the Committee on the Judiciary met, pursuant to recess, at 10 a. m., in Room 327, Old House Office Building, Hon. Louis E. Graham, chairman of Subcommittee No. 1, presiding.

Present: Representatives Louis E. Graham, Ruth Thompson, Patrick J. Hillings, and Francis E. Walter.

Also present: J. Frank Wilson.

Mr. GRAHAM. The committee will be in order.

Mr. Hinshaw, of California.

STATEMENT OF HON. CARL HINSHAW, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. HINSHAW. Mr. Chairman, I think that I really ought to testify at length on this subject, because it is very technical and I have made a long study of it.

Among other resolutions that have been introduced by me is House Joint Resolution 144. That resolution differs from the standard resolution which has been introduced. It differs in language very considerably. It sets forth certain definitions which I believe are consonant with the definitions acceptable in international law, more so than the definitions given in other resolutions.

For example, the definition of the term "high sea(s)," "open sea," and the term "ocean" is that which is the common highway of nations, the common domain, within the body of no country, and under the particular right or jurisdiction of no sovereign, but open, free, and common to all alike, as a common and equal right.

That definition is fundamental to the legislation in question. The terms "maritime boundary" and the "territorial waters" and "territory," and all of these other definitions that are contained in this resolution are, I believe, correct. They were put in the resolution after very long and careful study.

For example, the term "coast" as defined in this resolution when used as a proper noun and when used as a noun is a term describing an area. Ordinarily the term "coast" is considered to be, in this legislation that you have before you, something of a line, but it is not; it is an area and means an extent of territory abutting upon the sea, and includes within it the inland waters of such territory and any

natural appendages of the land territory which arise out of such waters as islands although these islands may not be of sufficient firmness to be inhabited or fortified.

This term "coast" is one which we think of generally as broad or narrow, depending upon the occasion that we have to use it. I have devised a term for the coastline. It means a regular line suitable for purposes of navigation, describing the seaward limit of a coast.

Then again, the inland waters; we have a definition which means the waters, both marine and fresh, which are under sovereign jurisdiction and lie landward of a coastline, including all bays, historic bays, and gulfs, channels, passages, sounds, estuaries, ports, harbors, and all other navigable waters.

I wish you would examine those definitions.

Mr. WALTER. Mr. Hinshaw, may I interrupt at this point? I have talked about this with you on numerous occasions, and I am very much impressed by the position you take, but this thought occurred to me last year. "And all other navigable waters," line 5, page 4, do you not feel that in the light of the decisions of the Supreme Court, that should be made more explicit because I am not so certain that that does not include even small feeder streams on which you would experience difficulty in operating a rowboat?

Mr. HINSHAW. I think that they are under jeopardy in accordance with the decision of the Supreme Court, and I think that all navigable waters within the coastline are in jeopardy. That is, all the land lying under them is in jeopardy. I think another reason exists for the necessity of having accurate definitions acceptable in international law, and which would be used and usable in language of the statutes of various States, as well as the statutes of the United States. There is no common definition or no set of common definitions. These terms are usable and used by the various States as well as the United States. Consequently, there being no common definition, there is no common understanding. You cannot understand if you do not use the same terms or do not use a term meaning the same thing.

Mr. WALTER. May I ask you where you got the definition for submerged land on page 3, starting at line 12?

Mr. HINSHAW. I think that that is a definition that we had to draw.

Mr. WALTER. That is why I asked the question. It does not look very familiar to me.

Mr. HINSHAW. The term "submerged land" means the continuation beneath the territorial waters, of land territory having an elevation lower than the elevation of mean low tide or mean low water. Consequently, it is submerged.

Mr. WALTER. But would that not extend to a part of the ocean beyond the Continental Shelf?

Mr. HINSHAW. It might in places. If it is under the territorial waters it would extend to any depth. I do not see why we should be limited by the Continental Shelf at 150 fathoms or 150 feet or any definite point, because the land may slope off regularly; and where are you going to draw that contour? Certainly submerged land includes that within the limits of the territorial waters of a State.

Mr. WALTER. You are not drawing a contour because the location of the shelf is very well known?

Mr. HINSHAW. There are places in California, for example, where you would find difficulty in locating a Continental Shelf. You would

have difficulty in locating it even very close to shore. The Continental Shelf does not include all the territorial land that is submerged; or you may want to go out to the Continental Shelf in the event that it lies beyond the territory that has been assumed to lie within a State.

Mr. WALTER. For example, between Hatteras and Sandy Hook, where the coastline comes in the Virginia-capes area, the shelf is out 150 miles.

Mr. HINSHAW. Yes, it is away out, and I think that circumstance is a different one than along the coast of San Simeon in California, where the Continental Shelf can hardly be found, where it drops off to great depth all at one time in almost a straight descent.

Now, I have considered the fact that the territorial waters, for instance, inside the islands that are along the coast of California: If those are not territorial waters of the United States, then they are the high seas, and that being the case, the navy of any country other than our own is free to travel inside those waters and carry on just as they would on the high seas.

Now, I do not know whether we mean to have that or not, but that would be the case if the waters that we now consider to be territorial waters are the high seas in fact.

If you look at the map of the State of California and the islands that lie along the coast, and they are out 20, 30, 40, and 50 miles in various places, and if you draw the boundary of the State, or the Nation for that matter, along the main shore, you have high seas lying inside the islands. I do not think the Navy wants that. I think they want to keep out of those waters all vessels belonging to foreign nations which may be of a warlike character, and say that those are territorial waters within which they may not come. I am sure that the Navy considers those waters as in fact inland waters.

I understand that there are cases that run back into the Spanish law where the sovereign seized vessels inside of those islands as being invaders of the territorial waters of Spain. Those cases are in the Spanish law. The Gulf of Mexico to the Spanish sovereign was an inland lake. The space of water between the Yucatan Peninsula and Cuba is about 110 miles wide, and the space of water between Cuba and Florida is about 90 miles wide, and those 2 are the only entrances to the Gulf of Mexico. Therefore, in my resolution, I provided that pending the final establishment of the extension of boundaries, it is the sense of Congress that the several States of the United States having boundaries on the Gulf of Mexico should open appropriate negotiations with the object of concluding interstate compacts with such States providing for the extension of their boundaries to intersect the line which I have described, being a line drawn from the terminus of the Mexican boundary at the Rio Grande River on a great circle tangential to the boundary of Florida, which is the Gulf Stream. I wish I had a map of that territory.

Mr. HILLINGS. While we are getting the map, I would like to ask this question, Mr. Chairman.

Your bill, in addition to containing these various definitions, also contains a provision which would quitclaim any interest the United States Federal Government might have in these submerged lands to the States; is that right?

Mr. HINSHAW. Yes.

Mr. HILLINGS. And that would go to the historical boundaries?

Mr. HINSHAW. The historical boundaries.

Mr. HILLINGS. Do you make any provision in the bill for any area beyond the historical boundaries?

Mr. HINSHAW. This acquisition of territory is proposed to be made by treaty between the United States and Mexico, dividing up the land under the Gulf of Mexico. Also, Cuba would be involved in that.

Mr. HILLINGS. Is it your feeling that this definition of terms which you set out here would perhaps protect the legislation which you have in mind from constitutional attack?

Mr. HINSHAW. Yes, definitely; otherwise it is subject to attack. The only way that you can make firm a boundary decision is by a compact between the States, approved by the United States. That is part of the machinery of the original Constitution and was followed in the Northwest Territories Act, which is a very important thing. I want to show you on the map here. These are the distances between Yucatan Peninsula and Cuba and between Cuba and Florida. Now, over here is the boundary of Mexico, extending 10½ miles, or 3 marine leagues out to sea. If you draw an arc across the gulf and tangentient to the Gulf Stream, which is the boundary of Florida, then you include within it all of that land and land territory and submerged land that is in the President's proclamation, and a little bit more.

Now, if you divide up the Gulf of Mexico by a line running tangent to the Gulf Stream and to the Rio Grande, and then let Mexico and Cuba draw a line in the Strait of Yucatan intersecting that line in a more or less northerly and southerly direction, then you have divided up the land of the Gulf of Mexico.

At the present time there is nothing to prevent a citizen of a foreign nation from going into the Gulf of Mexico and drilling for oil. If a citizen of Britain went into the Gulf of Mexico and started to drill on one of those shallow spots 100 miles offshore, what are you going to do about it? Nothing. You are not going to do anything about it, in spite of the President's proclamation. A proclamation does not mean anything in international law. It does not mean a thing in admiralty law unless it is accepted by other nations. And that proclamation has not been accepted by the other nations, so it means nothing unless you can establish it for a period of at least 100 years which is the period of occupation that must be had before a piece of territory becomes a possession in international law.

Now, I provided in my resolution in part 3 that the States be given the authority to enter into a compact extending their boundaries to that line in the Gulf of Mexico and I think that that is the only way by which you can extend the boundaries of the States. Then in part 2, I acknowledge that which we all acknowledge I believe, in the Congress, that the boundaries of the United States are coextensive with the international maritime boundaries of the border and maritime States however acquired, and the boundaries of the border and maritime States extend to and coincide with the boundaries of the United States, however acquired.

I cannot conceive of the United States being larger than the 48 States, and I cannot conceive of the 48 States being smaller than the United States. What is the United States but an assemblage of States, after all is said and done. It may lay claim to some other ter-

ritory, but that territory cannot be along its borders and certainly cannot be within the borders of the States.

I think that that is a brief description of this resolution. I offer it for your consideration. I do not expect you to accept it. I know you have other things in mind. I have introduced another resolution along with the other members from my State which I understand is acceptable, but I do wish that you would be very careful—I am sure you will be very careful—in the definitions that are used, and the way they are used.

Mr. GRAHAM. I want to thank you personally as the chairman of the committee, and for the other members of the committee for you have spent a great deal of time on this, and have brought to light certain things that have not heretofore been brought to the attention of the committee. Do you intend to file a statement?

Mr. HINSHAW. I do not think that I will file a statement, because I believe that the committee intends to do something else than pay attention to my resolution, and that is all right. Only I just want you to know that some very careful thought has gone into this resolution, not by me alone, but by a good many others.

Mr. HILLINGS. Mr. Chairman, I might say that Mr. Hinshaw, who is of course the chairman of the California delegation in the House, as he has indicated, and as you can tell from his testimony, has given a tremendous amount of study to this problem. It is rather interesting to note that Mr. Hinshaw is an engineer by profession, and has gone into this field of international law, and probably knows a great deal more about it than most lawyers. I think a great deal of credit is due him for the work he has put into it, and it will be helpful to the Congress.

Mr. HINSHAW. A year or so ago I did spend an awful lot of time on it.

Mr. GRAHAM. Miss Thompson, have you any questions?

Miss THOMPSON. No; except to say that your resolution may be more persuasive than you think.

Mr. HINSHAW. Thank you.

Mr. GRAHAM. Mr. Wilson?

Mr. WILSON. I think there is a lot of merit to what you say, Mr. Hinshaw. I think it should be gone into.

Mr. GRAHAM. Mr. Hinshaw, speaking for the committee, I think I can assure you that we will approach this with more care and caution than anything that has ever been done before because we realize the gravity of the situation. I served as a conferee and I believe three other members of the committee were conferees—with respect to the matter before, but undoubtedly the situation has changed. There is some pressure both from the administration and the House leadership to get something done, and we are endeavoring to do that. But we will see that the research you have done will be given due consideration.

Mr. HINSHAW. I cannot see how the United States Navy could put up with anything else in California but to include the islands and the territorial waters this side of the islands as part of the State of California.

Mr. GRAHAM. Let the record show that Mr. Hillings has been summoned to the Keating committee for the purpose of effecting a quorum. He has been present here and assisting us in having a

quorum. So Miss Thompson, Mr. Wilson, and myself will carry on.

Mr. HILLINGS. I regret the inconvenience to the committee, Mr. Chairman. I think after this week we will not have this problem.

Mr. GRAHAM. Mr. Feighan is not here. We will now hear Mr. Sanders, from the National Grange. Will you come forward, please?

STATEMENT OF J. T. SANDERS, LEGISLATIVE COUNSEL OF THE NATIONAL GRANGE

Mr. SANDERS. Mr. Chairman, I appear in behalf of the National Grange. Our principal interest in this, I must confess is from the national welfare point of view, but of course as agricultural people, we have a vital interest in the oil supplies of the future, since we probably use more oil than any other group of equal numbers.

Mr. Chairman, I will just read the three pages of my statement that I have here.

Mr. GRAHAM. Proceed, please.

Mr. SANDERS. The National Grange has believed throughout the history of the tidelands dispute that the Supreme Court was right in finding that all seaward lands below low tide belong to the National Government under the Constitution; and just as firmly we believe that national security, State and national welfare, and logic indicate this finding is right.

Pressures to ignore these evident truths seem to have come from a bad mixture of misunderstanding, honest and studied conviction, and pure selfishness on the part of oil interests and of some States.

We are strongly convinced that if the Congress passes H. R. 2948, it will be a "giveaway" without legal justification of unpredictable and valuable future resources that in reality belong to all the people of the Nation; and in so doing will make a regrettable error of not conserving needed oil for national security that will greatly impair the future security of our Nation.

We say this because these resources in the hands of the various States will not, we believe, be judiciously conserved and used, but will be soon and recklessly squandered.

Not only will H. R. 2948 give away these great present and future untold resources within the boundaries now claimed by the States, H. R. 2948 plans to leave the door wide open, and to extend this giveaway clear out to the edge of the Continental shelf, to use the language in H. R. 2948, "if it has been or is hereafter approved by Congress."

Obviously, if the Congress can now give away such property it can give away more of it in the future if it is like minded in its wasteful dispersal of resources belonging to all people of the Nation and sorely needed by the Nation. Obviously this provision is for no earthly purpose but to preobligate the Congress to future extension of the giveaway to make it more difficult for the Congress to go back on its present otherwise needless pledge.

We are not saying that this giveaway is motivated by fraudulent motives as was the notorious Teapot Dome giveaway of another generation; but without doubt the same selfish forces are pushing hard to rob the Nation of precious sinews of security as were those of the former oil scandal of a generation ago. I am convinced there is no more legal or moral ground for this giveaway than was the case in the

Teapot Dome scandal. Doubtless other honest and patriotic people think differently.

The Walter bill, H. R. 636, goes contrary to the Supreme Court, and the interest of the Nation, more than does the Graham bill in that the former attempts to give the States the right to extend their borders clear to the outer edge of the Continental Shelf despite the fact that there is not the least shred of a legal basis for this. Even the Nation as yet has no recognized claims to ownership beyond the 3-mile limit.

We strongly favor the passage of the bill by Congressman Celler, and House Joint Resolution 126 and House Joint Resolution 89 setting aside oil revenues for school purposes. Our major reasons for support of House Joint Resolution 15 are as follows:

(1) House Joint Resolution 15 in no sense impairs the right of the Nation to the submerged seaward lands or prejudices the national rights before a permanent law settling the issue can be passed.

(2) It clearly renounces any claims of the United States Government to any inland or nonseaward submerged areas now rightfully owned by States and local jurisdictions.

(3) It allocates to the States 37½ percent of value of royalties which the United States may receive from the seaward submerged lands within a State's border, whether this border be 3 miles or 3 leagues.

(4) It honors all State leases or contracts.

(5) It safeguards the paramount right of the Nation over interstate and international commerce.

We are in hearty accord with the general purposes of House Joint Resolution 89 and House Joint Resolution 126 for we can conceive of no more appropriate use of the future revenues from these great offshore resources than use for educational purposes. We have an historic precedence for this in the great boon given to pioneer and later educational efforts in the form of Federal lands given to the States for educational purposes.

We would, however, suggest that any such bill should carry in general the following provisions:

The distribution of these moneys in aid to schools in each State shall be made only (1) on the basis of need for meeting minimum educational standards in the States as determined by the Congress; (2) that all expenditures from the funds shall be made under the same control by the State as other public-school funds of the State are expended and without any stipulated Federal control or conditions other than those specified for school purposes.

Our reason for requesting these provisions is that we believe that the Constitution does not invest in the Federal Government any control whatever over public schools; that this is wise and in the interest of the preservation of our liberties and freedom as a people; and that we want it made quite clear in the bill that these conditions should prevail with oil aid funds in the future.

We cannot close this statement without issuing the strongest possible appeal to the members of this committee and the Congress to ponder the totally bad implications of lavishly and lightly relinquishing the untold values involved that belong only to the people of the United States of America. We are deeply convinced of the great error of such a disposition of these potential resources (1) from the standpoint of the waste that will result from scattering the control into the hands of the various States; (2) from the standpoint of great disputes this action will engender on seaward borders between the

States to follow such action; (3) because we believe this is an error from the standpoint of absence of legal or logical justification; and lastly, it is a most grave error from the standpoint of national security. We sincerely hope that this error will not be made; that the Celler bill and its amendment will be approved instead of the Graham or Walter bills.

Mr. GRAHAM. Miss Thompson, do you have any questions you desire to ask?

Miss THOMPSON. No.

Mr. GRAHAM. Mr. Wilson, do you have any questions you desire to ask?

Mr. WILSON. You are free to say that there is a misunderstanding and pure selfishness on the part of oil interests and some States. Do you think the State, if it has a treaty with the United States, is selfish in trying to see that it gets its rights?

Mr. SANDERS. No; I would not say that, Mr. Congressman.

Mr. WILSON. Those are the facts with regard to Texas. Texas came into the Union, and came in under a treaty approved by Congress, approved by three Presidents, the President who was in office at the time, approved by the Congress of the State of Texas, which was a free nation. Do you believe that those treaties should be kept?

Mr. SANDERS. I believe they should; yes. But I do not think those treaties give to the State of Texas——

Mr. WILSON. It certainly does by clear, unimpeachable terms.

Mr. SANDERS. I have just forgotten the exact wording, Mr. Congressman, but I read that recently and felt that again—by the way, I may say I am a Texan, too.

Mr. WILSON. You apparently did not read it very carefully.

Mr. SANDERS. I read the phraseology only 2 or 3 days ago. As I interpreted it, I could not see that the treaty would give to Texas any more right to those submerged lands than it would the enabling act of any other State.

Mr. WILSON. Of course, it is an entirely different proposition. Texas is the only State in the Union that came in as a republic.

Mr. SANDERS. That is right.

Mr. WILSON. For 10 years it was a republic after gaining its freedom from Mexico.

Mr. SANDERS. That is right. My grandmother lived there.

Mr. WILSON. The treaty of Guadalupe Hidalgo that was entered into by the United States 4 years after Texas came into the Union upheld Texas' claim to its public land.

Mr. SANDERS. I am agreeing with you, but it seems to me that this is not classified as the public land of Texas.

Mr. GRAHAM. Mr. Sanders, so you may understand, you will have until the 11th of this month to supplement your testimony with regard to anything you are unable to produce at this time.

Mr. SANDERS. Thank you.

I would say, Mr. Chairman, that if the treaty specifically stated that the submerged lands were included in the public lands of Texas and belonged to Texas——

Mr. WILSON. Here is the langnage right here. In the joint resolution for annexation of Texas to the United States, which was adopted by the Congress of the United States and adopted by the Congress of Texas, this language was used:

Said State when admitted into the Union after ceding to the United States all public edifices, fortifications, barracks, ports and harbors, navy and navy yards, docks, magazines, arms, armament, and all other property and means pertaining to the public defense belonging to said Republic of Texas, it shall retain all the public lands, debts, taxes, and dues of every kind which may belong to or be due or owing said Republic, and shall also retain all the vacant and unappropriated lands lying within its limits to be applied to the payment of the debts and liabilities of said Republic of Texas; and the residue of said lands—

and mind you, Texas had always, and so had Spain and so had Mexico, claimed 3 marine leagues into the Gulf of Mexico, beginning at the Rio Grande River and ending at the Sabine—

and the residue of said land after discharging said debts and liabilities to dispose of as said State may direct.

In the agreement entered into between the Congress of Texas and the Congress of the United States, the United States Congress was particularly trying to get out of paying Texas' debts. They paid every other debt of every other territory and State that came into the Union, but they did not want to pay Texas' debt of $10 million, and Texas paid that debt. [Reading:]

But in no event do said debt and liabilities become a charge upon the Government of the United States.

In view of those words, do you still say that Texas is selfish in trying to enforce that treaty entered into between the Congress of the Nation of Texas, not the State of Texas, the Nation of Texas by its own Congress and by the Congress of the United States?

Mr. SANDERS. As I said to you in the first place, I do not interpret public lands to mean land under water, because I think they would say water.

Mr. WILSON. There is no question but that the 10½ miles or 3 marine leagues was a part of the public domain of Texas and a part of its public lands. There is no dispute about that.

Mr. GRAHAM. Mr. Sanders is disputing it right here.

Mr. WILSON. I mean it has not been disputed.

Mr. SANDERS. I am not enough of an international lawyer, or lawyer, although I studied one course in international law, I do not know a thing about it, I will tell you that.

Mr. WILSON. Very few of us do, as a matter of fact. These words are very short words and very plain in their meaning, to us, at least, and they have been to Congress.

Mr. SANDERS. You are not including me in that "us." I do not really believe that they mean that Texas has the right to the land 10½ miles from her shoreline under that. I may be wrong. I certainly would not have any tendency, Mr. Congressman, to argue at length, but I just want to express our opinion on this, and I believe by the same token that Florida does not have the right to claim the resources submerged below the low-tide line.

Mr. WILSON. Of course, the historical boundary line on the western shore out in the gulf includes 3 marine leagues, just like Texas. There is not question of that. I do not want to argue with you about the matter, but I am just saying that you more or less impugn our intentions as being selfish.

Mr. SANDERS. Mr. Congressman, when I say that, I really think if I were a Representative from Texas, I would think it was justified self-

ishness, but that does not keep me from saying, in representing a national organization that is primarily interested in the welfare of agriculture in all States, that I think that that is a selfishness, and if Texas presses those claims, I see no reason why she should not continue to press them, but I think it should be decided in the interest of the Nation as a whole, and not in the interest of Texas. I do not believe she has a legal claim to it.

Mr. WILSON. We are going to continue to press it, regardless of who thinks it is selfish or unselfish.

That is all, Mr. Chairman.

Mr. GRAHAM. May I ask one question, Mr. Sanders. Are you familiar with the prior hearings in this matter in other Congresses, or not?

Mr. WILSON. I have appeared in 4 or 5 of them. I am not familiar with them. I do not remember all that went on.

Mr. GRAHAM. The point I make is this: A number of years ago when I first came on this committee, at that time it was my recollection that out of the 48 States, 46 governors joined as amicus curiae and 45 United States attorneys joined in. What I am differentiating at this point is this, that all the States, practically, asserted their rights; not only Texas, California, and Louisiana, but all the States maintained they had a right in this matter.

Mr. SANDERS. The thing is that in the Celler and Anderson bills, it is felt that the rightful property under the inland waters was impaired by this decision. Both bills undertake to say specifically that this decision, and that the Congress specifically protect those rights. I would say most certainly every State should fight for its rights to its inland waters that it really justly owns. But these I do not believe could be classified as inland waters. I am familiar with that; yes, sir.

Mr. GRAHAM. I was wondering whether you had taken that into consideration.

Miss Thompson, have you any questions. She is from Michigan and she is vitally interested in the Great Lakes.

Miss THOMPSON. We have 1,500 miles more shoreline than any other State.

Mr. SANDERS. I am glad to get acquainted with the Congresswoman.

Miss THOMPSON. Thank you.

Mr. GRAHAM. Thank you.

Mr. SANDERS. Thank you very much.

Mr. GRAHAM. Is the representative of the Cooperative League of the United States here; Mr. Campbell, here?

Mr. CAMPBELL. Yes.

Mr. GRAHAM. Mr. Campbell, we will hear from you now. Do you have a statement?

STATEMENT OF WALLACE J. CAMPBELL, WASHINGTON REPRESENTATIVE OF THE COOPERATIVE LEAGUE OF THE UNITED STATES OF AMERICA

Mr. CAMPBELL. Yes; I do.

My name is Wallace J. Campbell. I am Washington representative of the Cooperative League of the United States of America, a na-

tional federation of consumer, purchasing and service cooperatives. Our direct membership includes nearly 2 million farm and city families. In addition, we serve several million members of cooperatives which are associated with the league through their functional federations.

The Cooperative League has consistently supported the ownership by the Federal Government of the offshore oil resources as outlined in the Celler bill, House Joint Resolution 15. We support, in addition, the bills introduced by Congressmen Feighan (H. J. Res. 126) and Perkins (H. J. Res. 89) which would provide that the royalties from the development of these resources should be used for the support of education in all the 48 States.

The legal issues involved here have been clarified completely to our satisfaction. The Supreme Court decisions—*United States* v. *California* (332 U. S. 19), decided June 23, 1947; *United States* v. *Louisiana* (339 U. S. 699), decided June 5, 1950; *United States* v. *Texas* (332 U. S. 707), decided June 5, 1950—have confirmed the Federal Government's paramount rights and power over this area.

During the last year there has been a great deal of artificial confusion injected into the controversy over the offshore oil resources. We feel, however, that the Supreme Court's decision that the Federal Government has "paramount rights" and "full domain" over these resources constitutes a decision in the public interest and should be sustained by the Congress.

It is our feeling, Mr. Chairman, if I may interject here, that in the disagreement among the legal authorities—the attorneys general in their statement, the Governors in their statement, and the Supreme Court in its three decisions—we have to go along with the Supreme Court. We know there is a substantial difference of opinion, but that is where we stand.

Developments in the last few days in testimony presented by Secretary of the Interior Douglas McKay and Attorney General Herbert Brownell have helped to clarify the situation affecting the national interest and security. We still feel, however, that the original decision is the proper one and that the paramount rights of the Federal Government are in the entire offshore petroleum resources and are not limited by what have been called "historic boundaries" of the States involved.

Our organization feels that the move now under consideration to reverse the ruling of the Supreme Court by legislative action and give the offshore oil resources of the 48 States to 3 States simply because of their proximity would be an unwise step and contrary to the national interest.

Because all of our members are ultimate consumers of petroleum products and are dependent upon petroleum for essential farm production, we have an unusually keen interest in the long-range conservation, protection, and use of offshore oil resources. We feel the Federal Government is in a better position than the States to protect these resources from shortsighted or wasteful exploitation, and we feel the Federal Government will adequately protect and preserve the consumer interest as well as the national security in the development of these resources.

During the last few years a great deal of unnecessary confusion has been injected into the controversy over these rich oil resources. Part of that confusion has come from the States which have an understandable interest in securing the exclusive use of the revenue from these natural riches. An even greater part of the confusion, we fear, comes from the major oil companies, which, we understand, have poured untold resources into the campaign to turn the leasing rights over to the States for their, the oil companies', own vested interests.

This confusion reached its absurd heights when a representative of the city of New York testified before the Senate Interior Committee and raised the question of whether Coney Island is owned by the State of New York or by the Federal Government, and praised the Holland bill as clarifying that point. I visited Coney Island on the Fourth of July in 1934. The New York Times estimated that 1 million people were on Coney Island that day. I wonder why either the Federal Government or the State of New York should be concerned about its ownership, if I may be facetious at this point. I am afraid that Commissioner Moses has unknowingly lent his prestige to the campaign of the oil companies to confuse the issue of offshore oil reserves by injecting an issue which has never been pertinent to the case.

As we understand it, there has never been any question of the Federal Government seeking to acquire internal waterways, port and dock facilities, and other kindred resources.

In other words, we look upon these as being a phony issue whose only intent can be confusion. The ownership of filled-in lands is adequately protected in the court decisions and in the Anderson bill in the Senate.

We would like to suggest for the consideration of this committee that the Celler bill be amended to provide several of the safeguards which were written into the Senate bill which was up for consideration in the Senate last year.

So that there will never again be any question about the ownership of land under navigable inland waters, the following section from the Anderson bill (S. 107) might well be added.

> The United States hereby asserts that it has no right, title, or interest in or to the lands beneath the navigable inland waters within the boundaries of the respective States, but that all such right, title, and interest are vested in the several States or the persons lawfully entitled thereto under the laws of such Sates, or their respective lawful grantees, lessees, or possessors in interest thereof under State authority.

To take care of the bugaboo of possible Federal control of dock, pier, and wharf facilities, or filled-in land, the following two paragraphs might well be added to the Celler bill; this in turn comes from the Anderson bill in the Senate:

> (a) Any right granted prior to the enactment of this act, by any State, political subdivision thereof, municipality, agency, or person holding thereunder, to construct, maintain, use, or occupy any dock, pier, wharf, jetty, or any other structure in submerged lands of the Continental Shelf, or any such right to the surface of filled-in, made, or reclaimed land in such areas, is hereby recognized and confirmed by the United States for such term as was granted prior to the enactment of this act.

That I am sure would satisfy Mr. Moses on his point. But, to take care of future possibilities—

> (b) The right, title, and interest of any State, political subdivision thereof, municipality, or public agency holding thereunder, to the surface of submerged

lands of the Continental Shelf which in the future became filled-in, made, or reclaimed lands as a result of authorized action taken by any such State, political subdivision thereof, municipality, or public agency holding thereunder for recreation or other public purpose, is hereby recogized and confirmed by the United States.

I think those actions would clarify this very well. For further protection of the rights of the States, you might wish to give consideration to the following:

The United States consents that the respective States may regulate, manage, and administer the taking, conservation, and development of all fish, shrimp, oysters, clams, crabs, lobsters, sponges, kelp, and other marine animal and plant life within the area of the submerged lands of the Continental Shelf lying within the seaward boundary of any State, in accordance with applicable State law.

With these three additional provisions there should not be any danger (if there ever was any such danger) that what the States now hold in the way of inland waterways and other factilities are in any sense in jeopardy.

The Celler bill, House Joint Resolution 15, is generous in its allocation of the royalties from offshore oil resources to the States which are nearest to them. The 3.75-percent allocation of such bonuses, payments, rents, and royalties in the operations in submerged coastal lands lying within the seaward boundary of any State to such State would provide a substantial income to the States of California, Louisiana, and Texas. Right at the moment the delay in developing these resources has been a loss to both the States and the Federal Government. The further allocation of part of the oil royalties back to each of the 48 States for use in education as provided by the Feighan and Perkins bills would provide additional revenue to those 3 States. The payment of 3.75 percent is actually based on the precedent of payment in lieu of taxes for earnings on federally owned property on which the State has no power to place a tax.

Of paramount interest to our members as consumers and citizens, however, is the question of the use of oil royalties from the Nation's underseas oil resources for national defense and support of primary, secondary, and higher education in all of the States.

Witnesses who are well versed in this field have outlined the plight of education in this crisis period. With economy as a prime consideration of the Congress at the present time, the opportunities for additional aid to education are fairly small unless something like the proposed oil-for-education legislation is adopted.

As this committee is aware, the royalties from the offshore oil resources under these proposed bills would go into a special account in the Treasury of the United States. It could be used during this critical period for national defense purposes, and thereafter should be devoted to our children's education as grants-in-aid of primary, secondary, and higher education. This policy is a continuation of one of America's oldest and wisest national policies—namely, the use of revenues from public lands for educational purposes. Many of us here today have been educated in part, at least, as a result of income to our school systems from public lands. And we all are deeply grateful to that policy established so many years ago.

Devotion of our greatest unexplored and undeveloped physical resource in the interests of our greatest human resource, the children of our country, is a natural and highly commendable public policy.

As of today we not only face a shortage of school facilities, but we are also losing the race in the provision of adequately trained teachers to take care of our children. It has been pointed out that low teachers' salaries result in hardships to both teachers and school children, and we cannot afford to compound this wrong by throwing away the very resources which can be used to alleviate the original problem.

As Senator Douglas has so aptly pointed out, the average income for teachers of $2,576 per year is shamefully low compared with the average income of skilled workers of $3,105 per year, and for engineers and technical employees, $4,554.

An even more startling figure is that for 1951 which shows the contrast of three professions. Teachers in the public schools had an average income for that year of $3,095; lawyers, $9,375; and doctors, $13,432. These figures are from the Survey of Current Business and the National Education Association.

The New York Times which supported General Eisenhower in his campaign for the Presidency and cannot be said to be prejudiced on this issue for partisan political reasons, has restated its position on this in very succinct language in an editorial which appeared March 3. I would like to read to you only two paragraphs from that editorial:

> While we regret that the new administration does not share our view on this subject, we still believe that it is a disservice to the Nation and a dangerous precedent to hand this property over to those States that happen to border the underwater areas where the oil has been found.
>
> If the States' rights have their appetites whetted by success in obtaining offshore oil, we fear attempts might be made to pry other valuable national properties loose from Federal control. For instance, there are those who want to give to the States the minerals (notably oil) under the federally controlled public domain. Efforts have long been afoot to consolidate private rights in national grazing lands. Longing eyes are cast at the national forests. It is reassuring to hear Secretary McKay specifically reject any extension of the offshore oil principle to federally owned lands in the interior: but Secretaries change and a precedent will have been established too close for comfort. We would like to see the administration reconsider its position on offshore oil.

We sincerely appreciate the opportunity to present our point of view on this. We know that it differs from that of several members of your committee, but we feel that the public interest demands all these positions should be stated and restated.

Mr. GRAHAM. We can assure you that will be done, and we want to thank you for appearing. Before you depart, we always afford an opportunity to other members of the committee to ask questions.

Miss Thompson of Michigan, have you any questions?

Miss THOMPSON. No.

Mr. WILSON. No questions.

Mr. GRAHAM. Thank you very much.

Mr. CAMPBELL. Thank you very much.

Mr. GRAHAM. We will now hear from Mr. Feighan.

STATEMENT OF HON. MICHAEL A. FEIGHAN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OHIO

Mr. FEIGHAN. Thank you, Mr. Chairman and members of the committee. I am very glad to have this opportunity to discuss this question of so-called tidelands, better referred to as submerged lands extending seaward from the low-water mark. It has been my privilege

to serve on this subcommittee, and to deal with this problem directly, and for that reason I have no prepared statement. I just want to state briefly the situation as it appears to me and to try to boil it down to what I consider to be the crux of the situation.

In my opinion it is just this: The Supreme Court has held in the three cases of Louisiana, California, and Texas that first, the States do not own the marginal belt. I think that is very definite in each of the three cases. Secondly, in the California case, the Supreme Court has held that the United States has paramount rights and full dominion of land within the belt.

Now, with reference to the words "imperium" and "dominium" as you well know, imperium has been defined by the Court as jurisdiction or governmental powers of regulation and control. It has defined dominium as ownership or proprietary rights. Thirdly, in the Texas case, the Supreme Court has held that imperium and dominium coalesce in the national sovereign. So I think we can start with the premise that the States do not own the submerged lands seaward from the low-water mark, but that the United States Government has imperium and dominium, meaning jurisdiction and ownership. I think that possibly the reason that the Supreme Court did not spell out title and use proprietary language is because the lands underlie the ocean where international law and not merely local law must be considered.

In other words, that the Court in rendering its decision used its language very carefully to designate that the United States not only had title, proprietary ownership or imperium and dominium, but it had that plus something else which is even beyond what we ordinarily consider in common law. In other words, it has superior interest or paramount rights that supersede anything that we have even known in common law, because international law is even older than common law.

Mr. GRAHAM. May I interrupt?

Mr. FEIGHAN. Yes.

Mr. GRAHAM. Then your belief is that in using the term "paramount rights," they were not only coining a phrase, but ascribing to it a new power and meaning never heretofore existing. Is that your thought?

Mr. FEIGHAN. Not a meaning or power heretofore never existing, but heretofore never specifically defined. It had been in existence all the time, though. That being my premise, the United States has paramount interest, and all that goes with it, and dominion over these submerged lands.

Now, the question is whether Congress under article 4 has the power to appropriate these lands. This question is before Congress not in my opinion as a question of overruling the Supreme Court, because their decision is the law of the land. The question is, Has the United States Congress, under article 4, the power to appropriate or give away that submerged property which the United States Supreme Court has said belongs to the Federal Government, to all of the 48 States? Are we going to retain it and develop it? It should be developed for our national security. Are we going to retain it for the benefit of all the 48 States, or are we, under legislation that has been proposed, going to try to appropriate or give away that which the Supreme Court has said belongs to the 48 States to those States off whose shores submerged lands contain large mineral deposits?

In the Supreme Court decision it was very patently made clear that matters affecting inland waters, lakes, bays, rivers, and streams were absolutely not under consideration. The subject matter referred only to submerged lands running seaward from the low-water mark. I think that the crux of the situation is whether Congress is going to retain for the benefit of all 48 States that which the Supreme Court says belongs to the 48 States, or whether it is going to dispose of it as it sees fit if it has the power.

If all we are dealing with is a mere fee-simple title, there is no question that the Congress can dispose of it without consideration. If, on the other hand, the United States holds its interest in the bed of the marginal seas, as an attribute of national sovereignty, it is subject to the possible argument that it is an inseparable attribute of national sovereignty. If this is so, then a quitclaim might be unconstitutional.

Now, Mr. Chairman, I have submitted a bill which I feel is a good one. Briefly, it provides that the Federal Government shall have jurisdiction and control of these submerged lands seaward from the low-water mark and that they shall develop them under rules and regulations to make proper provision for conservation and national defense. The States which have offshore submerged lands that have mineral deposits shall be given 37½ percent of the royalty received from deposits within the 3-mile belt. That is in line with the old Mineral Leasing Act which came into being around 1920, and just why it was 37½ percent, I do not know, but I think that would be fair to the States.

Of course, the remaining 62½ percent of the royalties received would be distributed to the Federal Government under a fund for national defense, or for distribution to the various States for educational purposes. It is not a question here as to whether or not these funds that belong to the United States should be given to education. I think they should. But they could well be given for any other purpose. I think that aid to education is a very laudible and very necessary purpose for which they should be appropriated.

Now, I have just one more thing, and I am through. I will not go into the details of the bill. One has to agree with me before one would even consider a bill such as mine.

Mr. GRAHAM. Have you finished your statement, Mr. Feighan, or have you anything further to say on this point?

Mr. FEIGHAN. Mr. Chairman, I shall not go into the geologist's estimates of how much money should accrue to the various States, but I am willing to attempt to answer any questions with reference to this problem because I have endeavored to study it as thoroughly as possible.

Mr. GRAHAM. Miss Thompson, have you any questions?

Miss THOMPSON. No; I do not think so. I went into that the other day, too, and it is pretty hard to determine. We do know approximately how much goes into the Federal budget for education. It goes into the billions.

Mr. WILSON. Mr. Feighan, I have read your bill, and of course agree with some parts of it. You took the 37½ percent from the precedent created by the Federal Leasing Act on the Federal public domain within the boundaries of the various, mostly western, States.

Mr. FEIGHAN. Yes.

Mr. WILSON. When oil or any other mineral is struck on that land, the State in whose boundary it is located gets 37½ percent of the revenue?

Mr. FEIGHAN. Yes.

Mr. WILSON. In your opinion, could words be found that would transfer title to the historical boundaries of the States other than a quitclaim or a delegation of authority from the Federal Government?

Mr. FEIGHAN. Of course, that is a question that I think probably ultimately would have to be settled by the Supreme Court, so my opinion would be just a curbstone one.

Mr. WILSON. As a lawyer, you do not think there is any question about the right of Congress to pass such a bill, any bill, disposing of this property?

Mr. FEIGHAN. I think they can dispose of it if the property is owned in a proprietary capacity.

Mr. WILSON. Just like they can dispose of an unused army camp or an installation of the Navy?

Mr. FEIGHAN. I think so, providing ownership is in a proprietary capacity.

Mr. WILSON. Which is done many times a year.

With respect to an abandoned Army camp, the Congress passes a special bill permitting the Army to declare it surplus, and they declare it surplus, and it is sold to a city or private person.

Of course, your statement with regard to paramount rights, that is the first time, I believe, any court ever used that term in connection with the title of property. Is that your understanding of the matter?

Mr. FEIGHAN. I would not say that exactly because I think the State of California in some of its supreme court decisions has used that same phraseology, paramount rights. But as far as I know, in these three cases, this is the first time the United States Supreme Court has used that particular expression.

Mr. WILSON. But your interpretation of the Supreme Court use of the term "paramount rights" is that it is a higher term than title. It carries not only the sovereignty but all rights as deep in the ground as they wish to go, and as high in the air?

Mr. FEIGHAN. I have proposed that question, Mr. Wilson, with no attempt to assert a final answer. That may be the reason they use that verbiage, because this was a matter affecting international law.

Now, another reason why the Supreme Court decided that the Federal Government has dominium and imperium over these submerged lands is because such lands are a necessary part of the national external sovereignty of the United States Government. So I just posed the question that they may have used that phraseology because this was something that was far apart from inland waters and uplands. This was something that was strictly in the international domain.

Mr. WILSON. And yet paramount rights, as used by the Supreme Court, and as apparently was intended by the decision, did not include title because the Supreme Court intimated, at least, and I think said in pretty definite words, that it was up to the Congress to dispose of these rights. Did they not say that in their opinion?

Mr. FEIGHAN. May I bring this to your attention. This is the State of Texas case. It is on this page 5. This is the decision of Mr. Justice Douglas. He said:

> The sum of the argument is that prior to annexation Texas had both dominium (ownership or proprietary rights) and imperium (governmental powers of regulation and control) as respects the lands, minerals, and other products underlying the marginal sea.

Without taking up too much time to go further——

Mr. WILSON. The Supreme Court said they owned those things and exercised all the rights of a sovereign over those.

Mr. FEIGHAN. The Court says that that is the summation of the argument by those who represented the claim of the State of Texas, the great sovereign State of Texas.

Mr. WILSON. That is what we claim, too.

Mr. GRAHAM. Did they go further and say that these two coalesced?

Mr. FEIGHAN. I do not want to take this exactly out of context. You can see it. But coming down to page 11, that is what the Justice said:

> And so although dominium and imperium are normally separable and separate, this is an instance where property interests are so subordinated to the rights of sovereignty as to follow sovereignty.

In other words, they say that both dominium and imperium in this particular case are not separable, that they coalesce. For that reason it is my opinion that the Supreme Court decision means that the States do not own those submerged lands, and that the Federal Government does.

Mr. WILSON. Justice Frankfurter said in that same case that Texas owned these rights, and it is a puzzle to him how they got rid of them.

Mr. FEIGHAN. That is right. He happened to be one of the minority, and the majority decision prevailed.

Mr. WILSON. That is all.

Mr. GRAHAM. Have you finished, Mr. Feighan?

Mr. FEIGHAN. Yes. Thank you very much, Mr. Chairman.

Mr. GRAHAM. Mr. McDonald, will you come forward, please.

STATEMENT OF ANGUS McDONALD, ASSISTANT LEGISLATIVE SECRETARY OF THE NATIONAL FARMERS UNION

Mr. MCDONALD. My name, Mr. Chairman and members of the committee, is Angus McDonald. I am assistant legislative representative of the National Farmers Union. I live on a farm in Prince Georges County, Md. If I may, Mr. Chairman, I will proceed to read my statement.

Mr. Chairman and members of the committee, I am here to present the views of my organization in regard to legislative proposals pertaining to so-called tideland areas adjacent to the shores of the United States. I am appearing in opposition to any and all proposals which would hand over the oil and gas resources in these areas to States to which they are adjacent. I am here also to present our views in favor of House Joint Resolutions 89 and 126.

Because of views previously presented to this committee it is unnecessary to present in detail arguments for and against these proposals. I call attention to a statement which I presented to the Senate

Interior and Insular Affairs Committee in August 1950 (p. 354, hearings before the Committee on Interior and Insular Affairs, U. S. Senate, 81st Cong. 2d sess., on S. J. Res. 195). I also call attention to a statement which I presented to that committee on October 10, 1949. This statement may be found on page 459 of the hearings held before that committee that year.

In regard to the various proposals which would quitclaim the lands of the United States to offshore areas, it is only necessary to call attention to 3 decisions of the United States Supreme Court; 1 which was handed down in 1947, and 2 in 1950. In these decisions the Supreme Court in effect declared that these offshore lands belong to the United States. In other words, the Court said that they belong to all the people of the United States. The Supreme Court in these decisions considered at length all the pretended rights of the States which are claiming adjacent oil-rich tideland areas.

In every instance where the Court considered these rights it concluded that the lands did not belong to the States, and that the Federal Government had "paramount rights" in them. It is pretended that Texas which was a sovereign government before joining the Union has a claim which deserves special consideration. The record discloses that Texas came in on an equal footing with the other States, and that the retention of the public lands in Texas by that State has no relation to the Continental Shelf controversy.

We wish to emphasize that it is contrary to the interest of the American people to overrule the Supreme Court and give what belongs to the entire Nation to three coastal States. As Senator Hill has so aptly stated, the question that should concern the Congress is not how to give the oil and gas away, but how to keep it and use it in the national interest. We feel strongly that the oil for education amendment is a statesmanlike and wise proposal in view of the situation which exists in our overcrowded public schools and in view of the need for building a strong national defense. The arguments for its immediate enactment are even more compelling than last year and the year before. We urge therefore the enactment of Senate Joint Resolutions 89 and 126 so that funds derived from offshore oil leases may be devoted to our children's education as grants-in-aid to the several States and to national defense during the present emergency.

Mr. GRAHAM. Have you finished your statement?

Mr. MCDONALD. Yes.

Mr. GRAHAM. Miss Thompson, do you have any questions you wish to ask?

Miss THOMPSON. No.

Mr. GRAHAM. Mr. Wilson?

Mr. WILSON. No questions.

Mr. GRAHAM. Thank you. That is all.

Mr. MCDONALD. Thank you.

Mr. GRAHAM. At this point, before calling the next witness, it is my understanding that Mr. Knight of the CIO will not be present, but has asked to have his statement submitted for the record. For that purpose we will now submit it for the record.

that the oil legislation is really giveaway legislation. The CIO is as opposed to these suggested amendments as it is to the original principle.

Let me conclude by stating that the CIO urges the retention of the offshore oil land in the naval oil reserve for purposes of orderly development and devotion to the income to Federal aid to education.

Thank you.

Mr. GRAHAM. Mrs. Levering of the Friends Committee on National Legislation is next.

As a preliminary will you tell us what your organization is? Is it what we call a Quaker organization, or is it just a group of friends?

STATEMENT OF MRS. SAMUEL R. LEVERING, FRIENDS COMMITTEE ON NATIONAL LEGISLATION, ARARAT, VA.

Mrs. LEVERING. No; it is the national organization in the Society of Friends that deals with the problems of national legislation in which the whole Society of Friends is interested.

My name is Mrs. Samuel R. Levering. My address is Ararat, Va., where my husband and own and operate an orchard on the southwest slope of the Blue Ridge Mountains.

I appear here today for the Friends Committee on National Legislation to speak out for legislation which will devote the income from the oil resources of the submerged lands—perhaps forty to sixty billion dollars value—to the education of America's children and youth, our greatest national resource.

There is a very long historical precedent for using some of the national heritage of public land and resources for education. It began in my home State of Virginia in 1618 and was used notably in the Morrill Land Grant Act of 1862. And being a graduate of Cornell University, which has received money under that act, I speak with special appreciation of that. This use of public funds has proved wise, and should be continued, to meet our Nation's serious educational needs now and for the future.

Funds from this source should be used for education just as soon as the Congress can pass legislation governing their use. These funds will do our country much more good if used for education than if added to defense appropriations. The real strength of our Nation rests in the quality of its citizens. Education is vital in developing the kind of citizens necessary in a democracy. I would like to pause to underscore that statement.

We urge prompt acceptance by the Congress of the principle that income from this great resource is to be used for education. Delay might mean that this great opportunity would be lost forever. There is an urgent, immediate need for additional funds for education. Other witnesses have documented that need with alarming figures on the shortages of schools and teachers, and the prospective increase in school enrollment. May I illustrate the plight of the schools from the experience of my own community and family?

I live in Carroll County in the southwest Virginia mountains. Our farming country is far from wealthy. Our mountains and hills produce relatively little to sell. We have little industry. Our tax rate runs about $5 per $100 assessed value. We simply cannot tax enough to support good schols. The State helps, but there is not enough money.

I want to say here that one of the things that disturbs me most about the communities in which I live is that I can count on the fingers of my one hand the boys who have graduated from high school in our community.

I have 6 children, 4 now in school, the fifth starting next year. Three children in a displaced person's family live with us. What should we do? My oldest 3 children attended the local mountain school through fifth, fourth, and first grades. Results were not satisfactory. The shortage of qualified teachers, overcrowding, lack of equipment, inadequate library facilities, poor meals, poor toilet facilities, and a playground which is not safe were factors. Windows were often knocked out, making the job of the pot-bellied stove impossible in warming the schoolhouse. The school nearest us is used by local youths for poker games at night, and children coming to school in the morning often have to sweep out the empty bottles and cigarette butts before classes begin.

I have been to meetings in connection with the schools of Carroll County where it was brought out that there are 90 schools in this little county, many of them one-room schools and in some of those schools the children sat on nail kegs. I want to say that our schools in our county are improving, and one of the reasons that they are improving is because of the dedication of the teachers. If some of those teachers knew that I was here this morning talking before you and telling that story, they would really be thrilled, because they are so intensely interested in those children and they are keeping those children in school better than they ever have before. They are so eager to get money for education. In an area where there has not been much of any education, hardly ever, it comes to them as almost a new and wonderful opportunity open for them, not only the opportunities of the boys if they can get an education to make a good living, as they have not been able to in the past, but to develop the people that will be able to understand the problems of our democracy and to cope with the complicated situations in which we find ourselves.

We felt that we could not permanently handicap our children's future by submitting them to such conditions. So now they rise at 6 a. m., leave home at 6:40, reach Mount Airy by public transportation at 7:45 a. m., and wait an hour for the Mount Airy schools to open. We drive in to get them at 3 p. m., or they would have to come back on the bus, and would reach home at 6 p. m., altogether too long a day for children. We pay tuition at Mount Airy, across the State line, as well as the bus fare, of course. I realize that we are able to afford to send our children to another school. Most parents in our community cannot do this.

Schools are better in our community than when my husband was a boy. His mother taught him at home, through the eighth grade, bringing in neighbor children also, because public schools were so poor. Then he came to Washington to attend high school. But our schools are still not worthy of our fine mountain children. Too many drop out. Too many are handicapped for life. This is a tragic shame.

This situation is by no means confined to the South. It is a nationwide problem. Only a few weeks ago, two dramatic incidents revealed the inadequacy of some schools in New York State, which spends more

on education per capita than almost any other State in the Union. In one case, fire broke out in an old school building. The children were led to safety by their teachers, but the principal and the school inspector, who was there at the time, had to jump from a window to escape. On the same day, a domestic-relations-court judge decided that a New York City man who had refused to send his daughter to an antiquated public school, but had tutored her at home, was not guilty of violating the compulsory-education law.

It has been estimated that school rolls will increase at about the rate of 1 million a year until 1960. More than that number of classrooms will be needed by that time. According to Dr. Virgil M. Rogers, president of the American Association of School Administrators, about 325,000 classrooms should be built this next year, to house the 9,200,000 children now in obsolete or overcrowded schoolrooms. The cost is estimated at $10 billion. Tax facilities even in the wealthiest States simply are not adequate to raise this amount. That is why the income from the oil resources we are discussing today should be set aside for this important task.

You, and the Congress, by providing that income from the oil resources of the submerged lands should be devoted to education can take a great step toward conserving and developing America's greatest asset, her children.

Thank you very much.

Mr. GRAHAM. Any questions, Miss Thompson?

Miss THOMPSON. No.

Mr. GRAHAM. Mr. Wilson.

Mr. WILSON. Do you not recognize the public-school system as the primary responsibility of the State, whatever State it is, Texas, Virginia, Oklahoma, New York?

Mrs. LEVERING. I think it is a great responsibility of the State, but I think we are extremely grateful for what the Federal Government has done.

Mr. WILSON. Of course, I will agree we all are. You believe that schools should remain under local control where the local people like you and others should firmly keep their hands on the development and on the trend of education?

Mrs. LEVERING. As far as ideas are concerned, but I think a system could be worked out whereby money could be given through grants-in-aid to these schools.

Mr. WILSON. Of course, the Federal Government has contributed billions of dollars in specific cases, such as veterans of the various wars, and school-building programs and aid where the Federal Government, either by war plants or armed services installations, where they override and bring in great crowds of people to work in certain school districts locally have contributed to that. But I mean the primary responsibility is on the State, is it not, do you not think so?

Mrs. LEVERING. I think the closer anything is kept to local control, probably the better.

Mr. WILSON. That is my point.

Mrs. LEVERING. Yes. As long as there is more local interest, but living where I do, I think I have more appreciation of outside help. Take, for example, our applegrowers in our section. What those men know of the really technical knowledge of growing apples comes because the United States Department of Agriculture Extension Service

conducts experimentation and sends out men to hold classes in that community for fruitgrowers in the morning. They get the tremendous benefit of that. I do not know just how they would get any scientific knowledge of growing apples without that help that comes through the State of Virginia, through the College of Blacksburg, but in addition to what the Extension Service of the Department of Agriculture is able to put into it as well. If you bring up any theoretical question, like everything should be local, that would ever discourage anything like that from having happened, that is an intelligent use of the Federal Government's ability to help us in our own localities, and we lean on it. The men who were intelligent enough to figure out that system of doing surely are not dead. You as a committee of Congress should be able to figure out a system of helping these States to get more money and to build up their schools that at the same time would not interfere with local control.

Mr. WILSON. My theory is, if we paid less money to Washington and more to local school districts and government, we would have better schools and have better teachers. The Federal Government has preempted the tax field. That is the basic wrong of the whole situation. The Federal Government has grown in concentration and size to the extent that it requires so much money outside of the absolute essentials of national defense and the courts of justice, and the various other departments which are absolutely essential under the Constitution, that if the Federal tax base were retracted somewhat, as has been recommended by our present President, President Eisenhower, so as not preempt all the tax sources, we would be much better off. The cities, the school districts, and everybody is screaming about the Federal Government taking all the money. If that continues, we will finally get it all, and the local authorities will have none to do anything with.

Mrs. LEVERING. Speaking for Carroll County, Va., nobody can get much money out of them anyway. If their children are going to be educated, it is going to have to come from someone else, because all they raise down there practically is children. I am raising six of them myself.

Mr. GRAHAM. Thank you very much.

Mrs. LEVERING. Thank you.

Mr. GRAHAM. Mr. Riley, American Federation of Labor.

STATEMENT OF GEORGE D. RILEY, MEMBER, NATIONAL LEGISLATIVE COMMITTEE OF THE AMERICAN FEDERATION OF LABOR

Mr. RILEY. Thank you, Mr. Chairman. I have a statement here, sir. My name is George D. Riley. I am a member of the national legislative committee of the American Federation of Labor. I am not here in support of any particular bill, but I am addressing my remarks to the proposition that we are in favor of any legislation which will bring wholesome relief to the illiterates of this country and the schoolchildren and the school systems in the elementary schools wherever it be found in any of the 48 States or any of the Territories or possessions.

I would like very much to ask that this statement be entered at the appropriate place in the record.

Mr. GRAHAM. If you wish to offer it, we will do it right now.
Mr. RILEY. Yes.
(The statement is as follows:)

STATEMENT OF GEORGE D. RILEY, MEMBER, NATIONAL LEGISLATIVE COMMITTEE, AMERICAN FEDERATION OF LABOR, ON AID TO EDUCATION TO BE DERIVED FROM ROYALTIES ON SUBMERGED OIL LANDS, BEFORE THE HOUSE SUBCOMMITTEE ON THE JUDICIARY

The American Federation of Labor is not addressing itself to any one bill pending before your subcommittee on the disposition of submerged oil lands, but rather to the necessity for use of royalties to be derived therefrom to the wants of the public schools of America and pupils.

We cannot understand the position taken by some that, if the only source of revenue to support the elementary schools of this Nation in the proper manner will have to be derived through Federal channels, the schools and their pupils must wait. The plain truth is that the schools have been waiting many years; and, while illiteracy may be said to be on the downgrade, it is truly a disgrace to all concerned. Illiteracy, for purposes of the record, means those adults who never got to the fifth grade. There are still in this country nearly 10 million illiterates, or 11 percent of the population—urban and rural. This represents a decline of 3.5 percent in a decade, but at this rate, assuming illiteracy necessarily will be widely wiped out at the same ratio, it still will require some years to put an elementary school education across to all who are deemed eligible.

There still are in the United States 20 percent of all pupils housed in combustible school buildings and 17 percent more who are in only possibly acceptable fire-safety buildings. In elementary schools, 17 percent are in combustible buildings and 25 percent of the secondary grade pupils are in combustible buildings.

Following are listed further examples of States and percentages of "fair" and "unsatisfactory" school plants as determined by the States themselves:

	Percent		*Percent*
Alabama	85	Connecticut	34.74
Alaska	51.72	Delaware	21.72
Arkansas	82.12	Florida	60.31

There are other States in the tabulation which I will be glad to read if I have them in this list, if the subcommittee cares to hear them. These are conditions which the mineral-oil leases can relieve uniformly provided the funds are earmarked by Federal enactment for this purpose.

It is well and good to say that education is a State or local government function and by ordinary rules of the game we would have no disagreement, but we maintain that, even as in the case of pestilence or conflagration or any other disaster which ignores all boundary lines, this present concern, which seems a natural practice to be nobody's business, then becomes everybody's business.

Where better can revenues be had once the provable petroleum reserves and stores of many other minerals are tapped than from the untold wealth which will constitute no tax increase on the citizens of this Nation. Now, at a time when the tax bases are so disordered and disturbed, the President of the United States has authorized an inventory of the tax fields of the respective types of governments. Today, education has come to the crossroads where some communities are issuing bonds on a revenue basis, thus avoiding their funded-debt liability by stipulating that the bonds are to be amortized only from such revenues as the schools produce. The added reason for issuing revenue bonds is that some communities find they are at the end of their financial ropes to gather in funds with which to operate school facilities, and markets for such community obligations are not easily found when funded debt has reached or is approaching the saturation point, meaning further that in such instances the bonds must bear a higher interest rate because of difficulty of obtaining ready acceptability, but the opponents to the proposal that young America shall share in this mineralogical windfall protest that acceptance of Federal moneys is unthinkable and unsound.

Yet, State after State which is quite willing to accept land-grant money for higher education is perfectly desirous of staging a sitdown strike on accepting money for elementary schools; and by "elementary schools" I speak of the grades through high school.

In supplying facts and figures on the condition of our primary educational systems, I am using the information based upon returns from the States which you members represent. These are not Government statistics, except that they have been collated by the Federal agency. It has been interesting to note that some of the States which are so vigorous in their opposition through some of their Members of the Congress to the Anderson bill and the Hill amendment in the Senate and their companion proposals in the House have not stood on ceremoncy in accepting their share in the $3 million which the Congress voted recently to determine the fiscal status of school facilities throughout the States. Those few States which have not accepted their proportionate share of the $3 million include those which either only recently had completed their own surveys or whose State laws in a couple of instances prevent acceptance of such funds until the laws are changed. I believe that your subcommittee would be interested to know the results of the study of the fiscal status of school facilities; and, in making this friendly suggestion, I am further calling attention to the fact that I feel sure that the American Federation of Labor has members in each of the congressional districts concerned.

I can give you a partial preview of what you can expect to find from this fact-hunting survey. For example, of the 33 States included in the report, 3 have income payments of less than $4,000 per pupil enrolled, while 3 have income payments of more than $13,000 per pupil enrolled. This means that in some of the States income payments vary by $9,000 per pupil enrolled. Evidently some States are not coming up to the standards which they themselves set as adequate and proper. For one of the States in the low-income bracket to provide school-housing facilities currently needed, it would require 11.3 percent of its total income for 1 year. On the other hand, for one of the States in the high-income bracket to provide State facilities currently needed, it would require only 2.7 percent of the total income payments for 1 year. Thus, there is a ratio of more than 4 to 1 in the relative ability of States to finance their needed school construction.

Now, in order to simplify what I have just told you, when I say that 2.7 percent of the total income payments for 1 year are needed to bring school facilities to a proper standard, I mean that if I were a citizen of State A, having this 2.7 deficiency, that it would take my entire income for 2.7 years to liquidate my own financial liability to the elementary schools of my State.

In making this statement I am talking about the States in the high-income brackets. I have not made reference to any States whose citizens would need to turn over their entire incomes for anywhere from 6 to 11 years to produce enough money to bring their schools up to standard.

I am citing the results of various surveys by the several States in a once-over-lightly manner, which I do not believe you will receive from other sources. We could talk about the truancy problem as related to the unwelcome surroundings confronting pupils in poor-to-deplorable surrounding conditions. We could mention the difficulty of obtaining the proper levels for teachers' salaries and we could go into other phases of the school discussion. My mission is to point to the difficulties and to the source from which the revenues can be had to solve those difficulties.

An example of the support for the oil-for-education campaign is the memorial to the Congress from the Arizona House of Representatives, passed by a 2-to-1 vote, urging adoption of the Hill amendment in the Anderson interim bill in the Senate in order that Arizona schools can get enough money with which to operate its schools which need $20 million.

That memorial says that "in recent years, the cost of building, maintaining, and operating schools has increased to an extent rendering it extremely difficult for State and local taxing units to provide adequate facilities for the growing number of children of school age. It is estimated that Arizona needs $120 million to take care of urgent school needs. Wherefore, your memorialist, the House of Representatives of the State of Arizona, urgently requests:

"That legislation be enacted providing that revenue accruing to the United States Government from the production of offshore or tidelands oil be apportioned to the several States for aid to schools on a per capital basis."

From the House Committee on Education and Labor can be obtained copies of Report No. 2810 of the 81st Congress which outlines the deplorable condition to which many schools have dropped. Some classrooms are in dilapidated busses, for instance. I commend this report for earnest reading.

There is known to be suspended in the waters of the oceans of the world many trillions of dollars in gold alone and many millions of dollars in magnesium.

These minerals, of course, have been conceded to be the property included in riparian rights of the respective States. What has been in dispute are the mineral rights below those waters where there surely must be vast quantities of mineral wealth as indicated by the wealth suspended in the waters above them. So, we are not talking in terms of "peanuts" when we talk about who is going to get what out of the disposition of these minerals.

We dislike going into particulars on what States have what rights except to point out that we maintain that all States have equal rights in sharing and sharing alike that we may keep the wick in the lamp of learning bright, fed by the oil royalties for education.

In conclusion, I point to the fact that some States which would come in for a share of the division of such royalties are numbered among the 18 States carved from the Louisiana Purchase, which purchase was defrayed with Federal moneys and not from the treasury of any one State.

Mr. RILEY. On the next to the last passage, I would like to direct your attention to the memorial which was sent to the Congress recently by the House of Representatives of the Arizona Legislature, which approved this memorial by a vote of 51 to 28. In essence it reads as follows:

In recent years the cost of building, maintaining, and operating schools has increased to an extent rendering it extremely difficult for State and local taxing units to provide adequate facilities for the growing number of children of school age. It is estimated that Arizona alone needs $120 million to take care of urgent school needs.

Wherefore your memorialist, the House of Representatives of the State of Arizona, urgently requests:

1. That legislation be enacted providing that revenue accruing to the United States Government from the production of offshore or tidelands oil be apportioned to the several States for aid to schools on a per capita basis.

There is a voice in the wilderness that has come to us in Washington, Mr. Chairman, without any solicitation. I do believe it is typical and in recognizing the remarks or the question of Mr. Wilson awhile ago—I hope I may take that question on myself, Mr. Wilson.

Mr. WILSON. Yes.

Mr. RILEY. About the propriety of any but the home folks running the schools, I would like to say that basically your position is entirely a correct one. But if you have a fire and the fire apparatus is out at another fire, I think it is perfectly good for another fire company to come in and put out that fire. If a man is drowning on a beach and the lifeguard is busy saving some other man, I think anybody who can save the second man is quite in order in the process of saving lives.

You have an illiteracy rate in this country today which while it is diminishing slightly is still approximately 10 percent of the adult population. Illiteracy constitutes the lack of an education higher than fourth grade. The rejection of men from the Armed Forces in 1950 and 1951 was so high that those rejected would have made up some 56 divisions of 10,000 men strength simply because they did not know how to read and write.

So it is costing your local community, it is costing you and me as long as we neglect this important job of saving the next generation and trying to salvage as much as we can of the present one.

In the Labor Committee just above, you can get a copy of Report No. 287 of 1950, Operating Expenses of School Districts Affected by Federal Activities, and you can get copies of other reports based on surveys made by that committee headed up by Mr. Barden, who I am

pretty sure is quite a States' rights man, and who talked about holding schoolroom classes in dilapidated school buses.

The lady before me just talked about the children sitting on kegs. I do not know what they sat on in these buses, but it is quite possible they may have even stood.

I do not think it is necessary to belabor the needs of the school systems of this country, Mr. Chairman, but I would like to point out—and these are figures and charts which have been adduced from data from your States, not by the Federal Government, or not at the initial action of the Federal Government. The Office of Education has merely collated the information and it is your own State departments of education which have made the reports. All States are not here, but I see Mr. Wilson is present, and I notice that in Texas 8 percent of the schools are quite unsatisfactory from a fire standpoint, and 16 percent of the remaining schools are only fair. But to the credit of the State, 76 percent of them are quite satisfactory. I might say that is quite a high percentage among the States.

I do not see Pennsylvania here, and I do not see Michigan, but we can talk about a number of other States. Nebraska, 36 percent of the schools in Nebraska are unsatisfactory from a fire viewpoint, and 16 percent are only fair; 48 percent are satisfactory.

Arkansas, from which State Senator Fulbright comes, and who is an ardent supporter as an educator in his own right of the needs of education, recognizes the needs of the schools in his State, because it is noted here that 11 percent of the schools in his State are unsatisfactory, 6 percent are only fair. Yet Arkansas, I think, has the highest percentage of satisfactory schools to the point of 83 percent.

The States recently were very happy—all of them, practically—to accept their proportion of a $3,000,000 grant from the Federal Government to find out what was needed in the way of school facilities.

Mr. WILSON. I certainly do not say that there would be any States that would turn down this money. You understand I am not taking the position that the States will turn it down.

Mr. RILEY. Yes.

Mr. WILSON. Oh, no. I have not seen anyone yet turn down any give-away money yet, individuals or States. But my contention is that it is a dangerous proposition to permit the Federal Government to get control of the public schools. Some pooh-pooh that. I did not say that. That is impossible, as long as we provide in the law that they have no control. I know whenever the Federal Government gets into business, gets a big bureau started, that they grab for power. That is just as inherent as the fact that we breathe air. They want bigger bureaus, and they want more power. They want to go a little further, and they want to abolish certain techniques, and they want to say who will teach in our schools. That is what I think will follow.

Mr. RILEY. This information was adduced by the agency which is now headed by a lady from your State.

Mr. WILSON. I understand. She has been there 30 days.

Mr. RILEY. I believe Mrs. Hobby will not allow that to happen. I think you have a good States rightser right there.

Mr. WILSON. I agree with you on that. That does not alter the question. She may be there 6 months, she may be there 40 years, she may be there 20. She may have somebody, I could name him, but I will not, that has a different idea about the matter.

Mr. RILEY. We do not think millions that have gone from the Federal Government to the States have dominated the schools.

Mr. WILSON. Because they have gone for a particular purpose because of some action brought on by the Federal Government. I voted for those appropriations.

Mr. RILEY. I felt the same thing when you talk about the tax base getting away from the States. You gentlemen are the ones who are in control of the situation.

Mr. WILSON. I understand that, but there are pressure groups, as you understand, too.

Mr. RILEY. Do not put us down for a pressure group. If it is pressure, we are for the school cause.

Mr. WILSON. There are a lot of pressure groups in this country who want a lot of things. They want fewer taxes and more appropriations. Congress has to do the best it can and when the pressure gets too great——

Mr. RILEY. Some of your greatest pressure groups, Mr. Chairman and Mr. Wilson, are the biggest oil companies.

Mr. WILSON. That is very true. There is no question.

Mr. RILEY. They control not the primary systems of the country but they get them after they are topped off and going into the secondary level.

Mr. WILSON. I agree with you.

Mr. RILEY. So it is rather appropriate that the Federal Government might step in on the part of the common schools and try to head off that kind of tendency we are trying to live with.

Mr. WILSON. I think the better way is to retract the Federal base, so the schools can get enough money out of the taxes that they once had that have been appropriated by the Federal Government that they can control the matter at home. I do not deny that we have a serious situation in the schools in this country—worse in some States than in others.

Mr. RILEY. If you have an amendment coming on the floor soon helping the common schools of this country, we will pitch in and help, whether it be local or on the Federal side. Let us get these kids educated and placed right.

Mr. GRAHAM. Is that all, Mr. Riley?

Mr. RILEY. Yes; thank you.

Mr. GRAHAM. Thank you.

The chair wishes to announce at this time that we have now completed the witnesses both for and against the bills that have been proposed. Some time will be left for those who desire to submit statements, but at this time, if there are no further witnesses to appear, the hearings will be closed, and any of those who wish to submit statements may do so by sending them to Mr. Foley, the committee counsel in this matter.

Mr. FOLEY. Mr. Chairman, I have a memorial that we received today.

Mr. GRAHAM. It will be admitted without objection.

Mr. FOLEY. It is from the House of Representatives, State of Arizona, House Memorial No. 2.

(The memorial follows:)

STATE OF ARIZONA

OFFICE OF THE SECRETARY

UNITED STATES OF AMERICA,
State of Arizona, ss:

I, Wesley Bolin, secretary of state, do hereby certify that the attached document is a true, correct, and complete copy of House Memorial No. 2, first regular session, 21st legislature; That I am the official of the State of Arizona having custody and control of the Original of said copy and the legal keeper thereof.

In witness whereof I have hereunto set my hand and affixed the great seal of the State of Arizona. Done at Phoenix, the capital, this 9th day of February A. D. 1953.

[SEAL] WESLEY BOLIN, *Secretary of State.*

[State of Arizona, House of Representatives, 21st Legislature, 1st regular session]

HOUSE MEMORIAL NO. 2—A MEMORIAL RELATING TO OFFSHORE OR TIDELAND OIL DEPOSITS

To the Congress of the United States:

Your memorialist respectfully represents:

The United States Supreme Court has ruled that offshore oil deposits, also known as tideland oil deposits, belong to all the people of the United States. The Congress of the United States has in study legislation to define the mileage limits of the coastal States.

In recent years the cost of building, maintaining, and operating schools has increased to an extent rendering it extremely difficult for State and local taxing units to provide adequate facilities for the growing number of children of school age. It is estimated that Arizona alone needs a hundred and twenty million dollars to take care of urgent schools needs.

Wherefore your memorialist, the House of Representatives of the State of Arizona, urgently requests:

1. That legislation be enacted providing that revenue accruing to the United States Government from the production of offshore or tidelands oil be apportioned to the several States for aid to schools on a per capita basis.

Passed the House February 9, 1953, by the following vote: 51 ayes, 26 nays, 0 absent, 3 excused.

Filed in the office of the secretary of state February 9, 1953.

Mr. WILSON. Mr. Chairman, if there is no objection, I should like to offer a prepared statement for the record at this time.

Mr. GRAHAM. It is admitted without objection.

(The statement is as follows:)

STATEMENT OF REPRESENTATIVE J. FRANK WILSON, FIFTH DISTRICT OF TEXAS, ON H. R. 641, BEFORE THE HOUSE JUDICIARY COMMITTEE

I certainly favor the passage of what is known as the Walter bill. I have introduced H. R. 641 which is substantially the Walter bill with a few slight amendments which I deem necessary in order to protect the rights of certain lessees who are not protected by the Walter bill.

I am in substantial agreement with Secretary McKay in his statement that the seaward boundaries of the States out to their historical boundaries should be quitclaimed and restored to the States thereby overturning the Supreme Court decision in the California, Texas, and Louisiana cases. I further believe that legislation should be in one package, and that is deal with the Continental Shelf and State boundaries at the same time because this whole territory should be developed by private lessees so that the oil may be severed and brought to the ground for use.

I further agree with Secretary McKay when he says that until some comprehensive legislation dealing with waste, conservation, taxing powers of the States and police powers of the States to this contiguous territory should be left in the hands of the States. In other words, State conservation laws, police powers, as well as the right to tax this territory in a reasonable manner should be continued as the Walter bill provides until the Federal Congress legislates in this field.

I further believe, and am apparently in disagreement with the announced policy of the administration, that the contiguous States to the Continental Shelf area should receive 37½ percent of the revenue gotten from the Continental Shelf just as many of the several States receive 37½ percent of any revenue obtained from minerals on Federal lands on their boundaries.

I believe the States should have absolute title restored to them out to their historical boundaries, and that the Continental Shelf should be given to the Federal Government with the exclusive right of management and control of the Continental Shelf.

The so-called Walter bill is a well-drawn, comprehensive bill which has been passed by the House of Representatives twice and this bill should be voted out again by this committee and sent to the House floor in the same form it was in during the 82d Congress.

This problem must be dealt with at the earliest possible moment because the critical situation in the world could render this oil absolutely essential within a very short time.

It is my hope that this committee will act immediately after these hearings are completed to bring this matter to a close and pass this bill so that those presently holding leases and those who wish to lease land in both these areas can do so immediately.

I had first thought that I would not burden the record by any mention of the special situation as exists with regard to Texas but since certain witnesses, including some Members of Congress who favor Federal ownership and control of all the seaward boundaries of all the coastal States, insist that the Supreme Court's holding with regard to Louisiana and Texas forecloses Texas of all of its property rights and treaty rights, I thought it best to make some mention of this matter.

In this connection, I call the committee's attention to the actual language of the annexation agreement between the Congress of the Republic of Texas and the Congress of the United States which is as follows:

"Said State, when admitted into the Union, after ceding to the United States all public edifices, fortifications, barracks, forts and harbors, navy and navy yards, docks, magazines, arms, armaments, and all other property and means pertaining to the public defense belonging to said Republic of Texas, shall retain all the public funds, debts, taxes, and dues of every kind which may belong to or be due and owing said Republic; and shall also retain all of the vacant and unappropriated lands lying within its limits to be applied to the payment of the debts and liabilities of said Republic of Texas; and the residue of said lands, after discharging said debts and liabilities of said Republic of Texas; and the residue of said lands, after discharging said debts and liabilities to be disposed of as said State may direct; but in no event are said debts and liabilities to become a charge upon the Government of the United States."

The above language is not subject to but one interpretation, and that is that Texas being a republic, and having acquired 3 leagues seaward from the low-water mark of its coastal boundary in the Gulf of Mexico, and having claimed same under treaties theretofore entered into and by right of conquest, and said claim having been recognized, and said land seaward for 3 leagues from the low-water mark of the coastal region of Texas having been recognized specifically in the treaty of annexation provided Texas would pay its own debts, should for all time end any discussion about who owns this 10½-mile strip of land.

I must admit that I was more or less startled by the new theory presented by Attorney General Brownell when he went so far as to say that the Supreme Court decision in the case of the *United States Government* v. *Texas* would not have to be overruled but that these paramount rights declared by the Supreme Court to be in the possession of the Federal Government that the Congress would have the right to enter into some kind of an agreement with the several States giving them the power and the right to explore for oil and gas within the region of their historical boundaries, and yet the Federal Government would retain its paramount rights.

First, I do not believe this to be possible. Second, I know that this theory is not acceptable to Texas because we are not here fighting for a division of a few dollars but to retain land which we have owned for more than a century, the title to which land seaward from the low-water mark for 3 leagues is and has always been in the State of Texas and its predecessors, and we do not intend to agree that title has ever been transferred to the Federal Government by the Supreme Court decision or by any other act on the part of Texas or the Federal Government.

It will be remembered that the decision in the Texas case was made by only 4 judges out of 9 and that they totally disregarded the specific language in the annexation agreement wherein Texas retained all of its public lands and unappropriated lands which included the marginal sea belt to the end of 3 leagues from low-water mark.

In the so-called Walter bill some of the best legal minds in the country have drawn the language in this bill in title II, and that language therein is conclusive, all inclusive, and cannot be subject to any disagreement about the fact that this marginal sea belt, which was a part of the Texas Republic and which Texas retained, is restored for all time to come to the State of Texas without reservation on the part of the Congress of the United States.

We do not believe it is possible, regardless of what words are used, to improve upon language in the Walter bill in title II. On the other hand, we believe that if the wording in this section is tampered with and anything else is placed in a bill quitclaiming this region to the various States, including Texas, that instead of minimizing suits in this area, it will magnify them greatly. Not only this, but we believe that any different language or any language restoring this property to its rightful owner would be insufficient to permit the State to enter into leases or any other agreements for the exploration for oil and minerals of any character that might be sought.

In my opinion, if the language both in the Holland bill so-called, and the Walter bill, which has been passed by the House of Representatives twice, is changed or modified, it will take more years of study and wrangling before any conclusion can be reached by the Congress.

In my opinion, this committee should insist that titles I and II be left as they are in the bill introduced by Mr. Walter, H. R. 636, or as found in my bill, H. R. 641, or in Mr. Graham's bill, H. R. 2948, chairman of the subcommittee. Any change in this language would result in confusion since the effect of any change in the wording would not become apparent until after long study, long hearings, and long discussion.

I think the Attorney General perhaps had in mind that litigation would be minimized as he stated but, in my opinion, the reverse effect would be true.

Also, the statement of the Attorney General that a map should be drawn showing the historical boundary line, which in the case of Texas would be 3 leagues or 10½ miles, and in the case of every other coastal State of the Union it would be 3 miles from the low-water mark, except Florida on its west coast would be 3 leagues or 10½ miles.

I think if this method of approach is taken seriously by the committee that it would require hundreds of map drawers years to complete the gigantic job of ferreting out every little inlet from the top of Maine down the east coast to the bottom of Florida and around the Gulf coast to the mouth of the Rio Grande River, to say nothing of the gigantic job that will be faced on the west coast where innumerable islands just off the coast would complicate the matter greatly. If this course were followed, I think probably we would not have any tidelands legislation for another 5 or 6 years.

In my opinion, if the two Houses of Congress should adopt these two suggestions of the Attorney General, then it would be far better at this time to take titles I and II of the Walter bill which would in truth and fact be substantially the Holland bill in the Senate, and enact it now quitclaiming the seaward boundaries of all the coastal States, as well as the Great-Lake-States and quieting the title to inland waterways and inland waters within State boundries of the respective States and leave the Continental Shelf for future determination.

I had rather, and I take it from Secretary McKay's testimony that the administration had rather deal with this all in 1 package such as is done in the Walter bill, but if any change of approach is made that would complicate the matter, I think it would be simpler to deal with the 2 areas; namely, inside historical State boundaries in 1 bill, and outside their historical boundaries to the end of the Continental Shelf in another.

I am still hopeful that the committee will take a commonsense view of this matter and not try some new and untrod pathway but bring out with the unanimous approval a bill such as the Walter bill which the Members of the House know and understand, and that this can be done in the next few weeks.

SEATTLE CHAMBER OF COMMERCE,
Washington 5, D. C., February 11, 1953.

HON. LOUIS E. GRAHAM
Judiciary Committee, House of Representatives,
Washington, D. C.

DEAR MR. GRAHAM: The board of trustees of the Seattle Chamber of Commerce recently reaffirmed a policy decision urging clarification by the Congress of title to submerged lands, and supporting State ownership of such lands.

I have been instructed to advise you and the members of your committee of this decision, and respectfully request that the chamber's position be made a part of the record in hearings to be conducted soon on the subject of tidelands.

Yours very truly,

GEORGE E. THOMAS, *Assistant General Manager.*

Mr. GRAHAM. I now declare the hearings in this matter closed.

(Thereupon at 11:55 a. m., the hearings were concluded.)

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